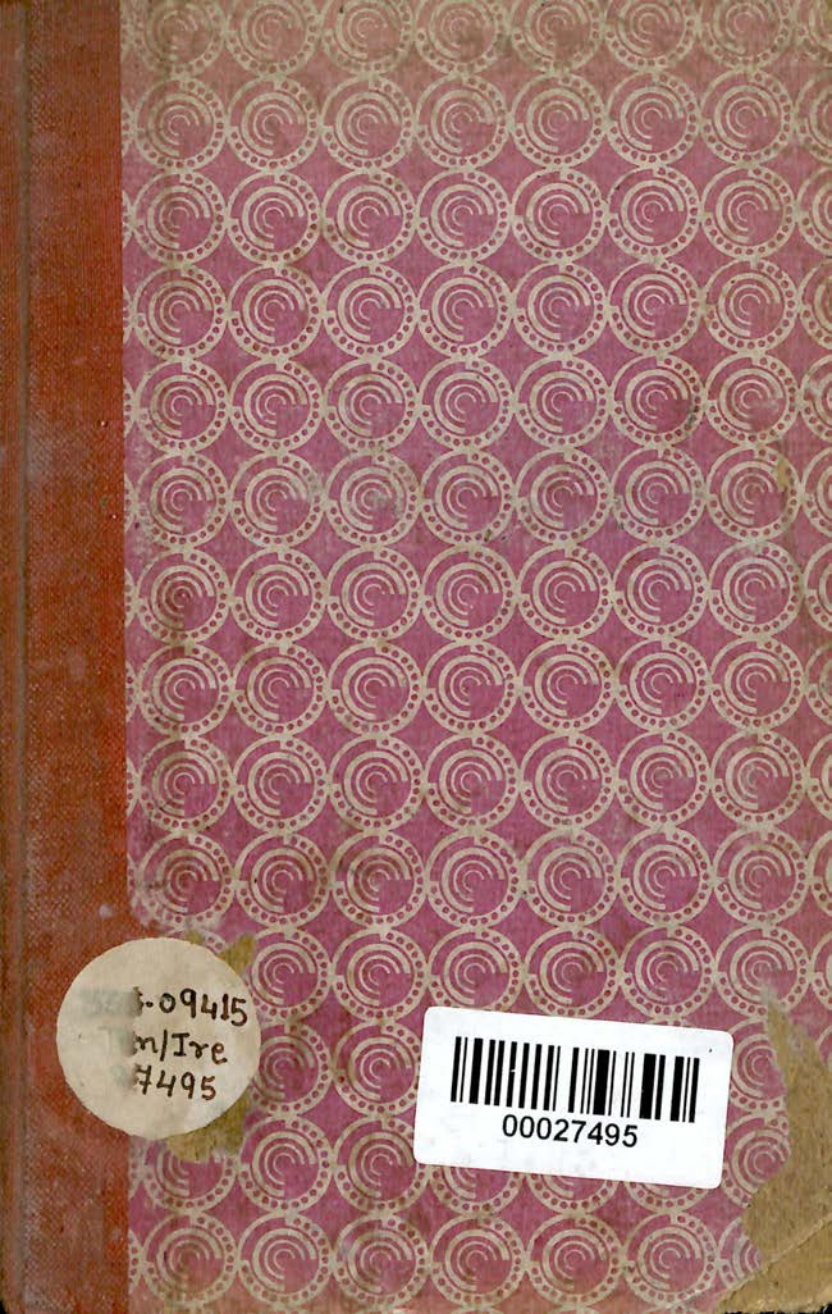
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IRELAND AND ENGLAND.

IRELAND AND ENGLAND,

OR THE

IRISH LAND AND CHURCH QUESTIONS.

27495

BY.

CHARLES TENNANT.

RR. g 59.

"The Welfare Of The People Is The Highest Law."

LONDON:
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PREFACE.

THESE few prefatory remarks are only to anticipate the many critical remarks, which I have, in a manner, invited by the following pages, and to make the best excuse I can for myself, notwithstanding, "*qui s'excuse s'accuse.*"

Part II. consists chiefly of abridged extracts from the 3rd Edition of "The People's Blue Book,"—published in 1862, the 1st Edition of which was published in 1857, and the 2nd Edition within one month afterwards.

I now, for the first time, acknowledge myself the Author of that book, my reason for withholding my name being, simply, the fear that, it was premature in time and startling in effect, and, therefore, would bring upon the Author much abuse and no credit.

That fear was well founded, for the abuse was unbounded.

I now confess, that was a mean fear, and I prefer the rule of the great Latin Orator;—"Ne quid abjecte, ne quid timide, facias;" being satisfied that I am observing the condition;—"Ne quid falsi dicere audeat, ne quid veri non audeat."

I wish I could think that, I shall have credit, even for this, from those who differ with me. But I am content to leave the question on its own merits. The book has worked its own way.

A great many copies found their way Abroad; to the Continent of Europe, to the United States of America from New Orleans to New York,—to Canada and California, to the East Indies and to the West Indies, to Australia, New Zealand and other Colonies.

And if the criticisms of the London Press were not complimentary, there was compensation in a Letter to the Author from the late Count Cavour, who expressed his hope that he might live to carry out the New System of Taxation of "The People's Blue Book," in the new Kingdom of United Italy.

I took the trouble to re-write the 3rd Edition, the changes in the mean time having

altered all the figures. But the last was the best, and that was out of print a few weeks after its publication.

A 4th Edition has been called for, but I have declined the further trouble and expense, for the cost of paper and printing was nearly double the price of the book, so fixed to bring it within the Peoples' reach.

The book has done its work, and I have no intention of ever taking the trouble of another Edition; therefore, the present notice is not intended as an advertisement.

My reason for now avowing the Authorship is simply this:—I could not, as an anonymous writer, answer Mr. John Stuart Mill's pamphlet,—"England and Ireland."

I highly respect Mr. Mill, but I do not always agree with him in opinion, and I differ with him essentially in his views for the relief of the distress in Ireland.

My opinion is that, the principles set forth in "The People's Blue Book," would be the most effectual remedy, which can be devised for the relief of distress in Ireland and in every other part of the Kingdom.

That being my opinion, I have made free with my own work to save my own trouble, and the following pages are the result.

CHA$^{S.}$ TENNANT.

2, *Richmond Terrace, Whitehall.*
June 1*st*, 1868.

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PART I.

THE IRISH LAND QUESTION.

IRELAND AND ENGLAND.

THE IRISH LAND QUESTION.

THE maxim of Terence,—"Ne quid nimis,"—is more fully expressed in the two well known lines of Horace:

> "Est modus in rebus: sunt certi denique fines,
> Quos ultra citraque nequit consistere rectum."

Mr. Mill seems not to have borne in mind these wise old sayings, when he was answering his own question,—"What is to be done with Ireland?"—

This is to be regretted, because, in proportion to Mr. Mill's high and well deserved reputation is the dangerous influence of any error in his conclusions from abstract principles. There may be in England a few and in Ireland many who take Mr. Mill's view of Ire-

land's chief grievance, and agree with him in the efficiency of his remedy.

It must also be admitted that, Mr. Mill's opinion, whenever he gives it, on any subject, comes with acknowledged claim to careful attention, though the same opinion, coming from anybody else, might neither deserve nor receive a moment's attention. But I think Mr. Mill's pamphlet on Ireland is wrong in a most essential principle.

Moreover, I think his conclusions from his own reasoning are wrong, and that, his remedy would be ruin; not because it is revolutionary, as he admits; but because it is revolutionary and destructive,—destructive of all that is most precious, — destructive of constitutional law and right of property,—because it breaks the strongest bond that holds society together, and lets in confusion and anarchy,—because it puts down the law of the land and sets up the rule of ruffianism.

This is a serious charge,—but not against the man,—only against his judgment. For himself I entertain very high respect, but he has made me distrust his judgment.

I now proceed to proofs, but must be brief.

I shall take Mr. Mill's positions in his own order.

I pass over the first ten pages without comment, but I ask the reader to mark the sentence beginning at the bottom of page 10. (2nd Edition.)

As Mr. Mill makes this the foundation on which he builds, I must give his own words:—

"That a man should have absolute control over what his own labour and skill have created, and even over what he has received by gift or bequest from those who created it, is recommended by reasons of a very obvious character, and he does not shock any natural feeling. Moveable property can be produced in indefinite quantity, and he who disposes as he likes of anything which, it can be fairly argued, would not have existed but for him, does no wrong to any one. It is otherwise with regard to land, a thing which no man made, which exists in limited quantity, which was the original inheritance of all mankind, and which, whoever appropriates, keeps others out of its possession."

This is Mr. Mill's first position, and this is the foundation on which he builds. But this foundation, I submit, is unsound.

A man should have absolute control over what his own labor and skill have created, and even over what he has received by gift or be-

quest from those who have created it. I deny Mr. Mill's distinction between moveables and land. Man, by his labor and skill, has created nothing. He only uses the free gift of nature, and, by his labor and skill makes the thing useful. It is the labor that constitutes what is called, value or worth.

This applies as much to the land, which, by his labor, produces corn, as to the wood, which, by his labor, turns out the table and chair.

Mr. Mill affirms, but does not substantiate, a wide distinction between land and moveables, and on this assumed distinction he rests his case, and draws his conclusion. His distinction is without difference, and his conclusion is without consequence. He says,—"land exists in limited quantity;"—so does wood and everything else in this world.

Mr. Mill is right when he says,—"it is manifestly just that, he who sows should be allowed to reap,"—and also when he says, this "is the true moral foundation of property in land;" but he says, or means to say that, the houseowner has better right to the rent of his house than the land owner has to the rent of his land.

I deny this, and would ask Mr. Mill how he comes to this conclusion.

Thus drawing his conclusion, he applies it to Ireland. He says (page 12), "the Irish people, before the Conquest, knew nothing of absolute property in land."

This is not historically correct, if the Norman Conquest be referred to, for there was no dispossession at all, that invasion being for the purpose of union, not for the acquisition of land. Confiscation took place at periods long subsequent, and those events are lost in such distant times that, reference to the state of affairs in Ireland before the Flood, when Noah and his family floated in the Ark, would be quite as useful and much less mischievous. But, probably, before the Flood there was recognised ownership in land.

Mr. Mill's meaning is not quite clear, when he says;—"land was the original inheritance of all mankind, and whoever appropriates it keeps others out of its possession." No doubt, —when he is in possession, he keeps others out. If the meaning be that, all the gifts of nature were freely given to all mankind, that is true. But, then, why does Mr. Mill specially distinguish land? And how can that be said to be an inheritance, which was never possessed?

Adam and Eve lost their inheritance in the

Garden of Eden, and, certainly, they never took possession of all the other unoccupied land of the world. What does Mr. Mill mean when he says; "land was the original inheritance of all mankind"?

And what, if it were the original inheritance? Certainly, no one claims under that title now, in any part of the United Kingdom!

What inference, of practical utility, does Mr. Mill propose to draw from that fact, or from the laws and customs of the naked Irish people before the Conquest? An Ambassador, so recently as Henry VIII, has left a minute description of his reception at the Court of an Irish Prince, who sat stark naked on his Chair of State!

So far as concerns the rights of property in land, there is plenty of evidence to show that, these rights were as strictly regarded in the earliest times, of which there is any record, as in the present day.

Mr. Mill asks (page 13),—'if any Englishman were an Irish peasant, would the landed property of the country have any sacredness to his feelings?' About as much to the one as to the other. But, what a question to ask!

Again;—"Even the Whiteboy and the Rockite, in their outrages against the land-

lord, fought for, not against, the sacredness of what was property in their eyes." That is matter of opinion; but I doubt whether there was any more sacredness of property in their eyes, than there would be in the eyes of the highwayman who presents his pistol at my head and takes my purse.

Mr. Mill (page 14), enters into the consideration of the main features in the social economy of Ireland, and says truly;—"it is a country wholly agricultural. The entire population, with some not very important exceptions, cultivates the soil, or depends for its subsistence on cultivation." But, "in Great Britain, not more than a third of the population subsists by agriculture."

Now, Mr. Mill knows that, the agricultural wealth of every country is the best security for its internal prosperity. This is one of the few truths in Political Economy in which there is universal assent.

I now come to one of the most remarkable of all Mr. Mill's positions. It is the more remarkable because it is Mr. Mill's main position, and is so clearly stated as to be open to no mistake.

This will be found in page 14, and several following pages.

The passages most deserving notice are too long for quotation, but the substance of the whole is this:—'A bad tenure of land, though always mischievous, can in some measure be borne with; but not in Ireland, where the people have no means of sustenance but the land; for there, the conditions on which the land can be occupied and support derived from it, are all in all. Under an apparent resemblance those conditions are radically different in Ireland and in England.'

Mr. Mill then, at considerable length, attempts to show where those conditions are radically different,—but in that he entirely fails; the only difference being in the character of the people, which he does not notice, and the difference in religion, on which he is silent, as I will be.

The conclusion at which Mr. Mill arrives is this:—that the tenure of land is bad but endurable in Great Britain, which is not entirely dependent on agriculture; but that, in Ireland, which is entirely dependent on agriculture, the same tenure of land is so bad as to be unendurable.

It, therefore, follows, and must be Mr. Mill's meaning that,—his proposed change in the tenure of land, which is to remove the great

Irish grievance, would also be an excellent change for the people of Great Britain, and, therefore, ought to be introduced by a general law into the whole of the United Kingdom.

And so it ought to be—if Mr. Mill be right.

But, what if he be wrong?

And once the law in Ireland, whether right or wrong, it would very soon afterwards, under the reformed Constituency, be the law in every other part of the United Kingdom.

As Mr. Mill sees such great benefits to Ireland from divesting the owners of land of the rights of ownership, and vesting those rights in the tenants or occupiers, subject to the payment of a fixed rent-charge, to be guaranteed by the Government, he could not be surprised at the tenants or occupiers of land in all other parts of the Kingdom asking to be allowed to share the same benefits, nor could he, in his place in Parliament, with any consistency refuse their application. But whether he refused it or not would be of very little consequence, because the reformed constituency would not only demand it, but would have it.

I will not follow Mr. Mill in his reasoning for taking away from landowners in Ireland the control over their own land and parcelling it out in small holdings in perpetuity, or for a

long term of years, at fixed rents, nor will I follow him in the facts to which he refers in Continental Countries in favour of this system.

I will simply observe, what is so notorious as to need no proof, that, all experience in all countries is against small holdings, and that, all the facts referred to by Mr. Mill, instead of supporting his position, are directly against it.

Mr. Mill's principal object is, fixity of tenure. The same object is prominent in Mr. Bright's scheme, for the purchase of land in Ireland with the money of the State, to be repaid by the Tenants in the same way as the land improvement loans, or that, a certain amount of money shall be added to the rent, until the value of the land shall be repaid.

But Mr. Mill goes further, for he would have all the land of Ireland bought up, by forced sale, and relet by the State to lessees in perpetuity, at fixed yearly rents.

Other schemes of the same kind have been brought forward by other Members of Parliament, from whom better might have been expected. But I forbear to notice them. They all tend to establish fixity of tenure and a peasant proprietorship in Ireland, the end of which could only be, to drive away whatever capital remains, and to pauperise the whole of Ireland.

There are some questions, which one may be excused for not reasoning, and this is one of them. I will only avow my abhorrence of the doctrines for the redistribution of land in Ireland, or in any part of the kingdom, and for the repudiation of contracts.

I confess, I attach more importance to the facts in Lord Mayo's speech, reported in the *Times* of March 11th, 1868, than to all the eloquent speeches of Philosophers and Theorists, though I regret, that Lord Mayo should have proposed chartering and endowing a Roman Catholic University.

I agree with every word in Lord Mayo's speech on the present state of Ireland. I believe there was no time in Irish history when Ireland presented so many signs of improvement as at present. There is no country where rents are better collected, and few countries where landlords have spent more money for the improvement of their property and the benefit of their Tenants than in Ireland. No occasion has been shown for special legislation in Ireland, and all that Ireland wants is, to be let alone at peace.

Fenianism, though fostered in America, is a Roman Catholic conspiracy.

The extensive emigration from Ireland to

America mingled the lowest of the Irish Peasantry with the rowdies of the Republic. Most of these joined in the civil war, and some of them attained subordinate rank in the rabble republican army; but all of them exchanged their pastoral pursuits for reckless rowdyism. Disbanded and despised at the close of the conflict, and suddenly finding themselves without employment and without means, they formed themselves into bands of conspirators against their nominally native country, with no other object than plunder. Like desperadoes they have tried their experiment and have failed. But these are not true Irishmen. Many of them were not born in Ireland, and most of them have been bred in America, a mixture of the military mercenary and the low laborer, with Irish recklessness and disregard of consequences, without country, without home, without social ties, with nothing to lose, and, as they ignorantly thought, something to gain.

The true Irishman is brave and loyal, and no greater affront can be passed on the national character, than the suggestion that, 'Ireland may become a province of France or a dependency of the United States.'

I now return to Mr. Mill's pamphlet, and here I regret to be obliged to make some re-

marks on the manner in which he has thought fit to hold up the Marquis of Conyngham to public odium.

Mr. Mill says (page 19):—"When Irishmen ask to be protected against deeds of this description, they are told that, the law they complain of is the same which exists in England. What signifies it that the law is the same, if opinion and the social circumstances of the country are better than the law, and prevent the oppression which the law permits?

"It is bad that one *can* be robbed in due course of law, but it is greatly worse when one actually is."

The deeds here referred to, against which "Irishmen ask to be protected," are the Leases, which they have deliberately accepted and signed. The law compels the performance of the covenants equally on both sides, that is, on the part of the lessor and lessee respectively.

Mr. Mill says, that may be a good law in England, but is a bad law in Ireland, because it operates oppressively against the Lessee. Mr. Mill does not deny that, the lessee was a free agent when he accepted the lease with its conditions; but to enforce those conditions against the lessee is oppressive in Ireland, though not oppressive in England. This is so

bad in Ireland that, 'it is robbery in due course of law,' though in England it is fair enough.

I would ask Mr. Mill,—What he supposes would be the value of property in Ireland, if contracts affecting Irish property could not be enforced in due course of law?

Does Mr. Mill suppose that, capitalists could be found ready to invest their money in Ireland, when "the social circumstances of the country, did not prevent the debtor from cheating his creditor?"

What has the law to do with the prudence of contracting parties, if both be in their sound senses?

Does Mr. Mill really believe that the condition of Ireland would be improved by placing all the land of Ireland in the possession and power of Peasant Proprietors?

Does he expect that, many of the Irish nobility and gentry would then continue to be residents in Ireland, and does he think that, their absence would tend to improve the condition of Ireland or the Irish.

I have no intention to argue these points with Mr. Mill, nor should I have noticed them, but for some fear of the weight, which his name may carry with many who do not like

the trouble of thinking, or are not able to think for themselves.

But can Mr. Mill justify to himself the holding up to public odium and, perhaps, to Fenian fury, the Marquis Conyngham, as the oppressive landlord of his extensive Irish estates?

Was the present a well chosen time for such an *ex parte* statement, even if true? and that statement is made by Mr. Mill, not on his own personal knowledge, but on the authority of a Reverend Author of a pamphlet on "Tenant Wrong Illustrated in a Nutshell; or a History of Kilkee in Relation to Landlordism during the last Seven Years."

The charge is that, the Marquis of Conyngham, "at once put on rents equal to the full value of the improvements on his estate at Kilkee, and pulled down a considerable portion of the town, thereby reducing its population from 1879 to 950."

For anything here stated, this may have been a very judicious change for those who remained, as well as for those who were "driven out."

But Mr. Mill says, this was 'to perpetrate what is morally robbery'!

The measure complained of may have been

harsh, or it may not, but it cannot have been robbery, legally or morally.

Surely, to say the least of it, this is a loose style of writing, on such a subject and such an occasion!

Mr. Mill says (page 24), "to hold Ireland permanently by the old bad means is simply impossible," and then he goes to Poland and Jamaica for horrors. But, who proposes to govern Ireland "by the old bad means," or after the precedents set in Poland or Jamaica?

It would have been better if Mr. Mill had thought a little more of the tendency at this time of such remarks.

And again, one may be excused for doubting the prudence of such remarks as these (page 29):—"But there is a contingency beyond all this, from the possibility of which we ought not to avert our eyes. Ireland might be invaded and conquered by a great military power. She might become a province of France."

So might England. There is "a contingency" and "the possibility," and the probability is about equal in both cases. But what is Mr. Mill's inference?

It is, however, something, to know that, Mr. Mill can "see nothing that Ireland could gain by separation, which might not be obtained by union."

Mr. Mill is not singular in *that* opinion, for I believe that to be the universal feeling in Great Britain and Ireland, *barring* a few of the Irish *pisantry*, who have acquired in the United States a taste for civil war, and, in some instances, the rank of Captain and even Colonel.

But, Mr. Mill asks, (page 32),—"Why cannot Ireland remain united with the British Crown by a mere personal tie, having the management of her own affairs, as Canada has, though a part of the same Empire?"

The answer is simply,—because Ireland is on the other side of the Irish Channel, and Canada is on the other side of the Atlantic.

Mr. Mill need not have referred to Austria and Hungary to prove the difficulty of keeping two countries together without uniting them.

We all know *that*. The difficulty is in uniting them, and that difficulty, as regards England and Ireland, Mr. Mill has not helped to remove; nor has he shown that, Austria and Hungary, and England and Ireland are parallel cases.

Mr. Mill is right in saying (page 35), that, the separation of Ireland from England would be "a complete failure, as it would convert the peasant farmers into peasant proprietors." But, from this, it is clear, Mr. Mill does not

see that, such must be the consequence, if his scheme were carried out.

Now, Mr. Mill has given us his scheme shortly (page 36), and here it is, in his own words: — "It must be ascertained in each case, what annual payment would be an equivalent to the landlord for therent he now receives (provided that rent be not excessive), and for the present value of whatever prospect there may be of an increase, from any other source than the peasants' own exertions. This annual sum should be secured to the landlord, under the guarantee of the State. He should have the option of receiving it directly from the national treasury, by being inscribed as the owner of Consols sufficient to yield the amount."

Here is a little obscurity of meaning.

But, assuming the meaning to be that, the landowner is to be compelled to surrender his Estate to his Tenants, in perpetuity or for a long term of years, for a fixed annual sum, I am at a loss to understand how Mr. Mill makes this out to be for the benefit of landowners or tenants or for the improvement of the condition of Ireland in general.

Mr. Mill's proposition simply destroys the foundation of all property in Ireland, and re-

verses all its institutions. He would divest all the noblemen and gentry of their Estates, and make the State the universal landlord in Ireland, with all the landlords' responsibilities and risks. Whatever antagonism exists between landlord and tenant in Ireland is now widely spread and infinitely divided, and, moreover, is infinitely diversified and tempered with reactionary and ameliorating influences.

But Mr. Mill's scheme would concentrate the whole antagonism against the landlord State, the hard rule of which, for its own protection, must be enforced against defaulting tenants, without distinction and without discretion. All capital would be withdrawn with the security for its protection, and Ireland, deserted by its rightful landowners and delivered up to its peasant proprietors, would be divided into small holdings, which would soon produce supplies insufficient for the support of the holders, and then the horrors of famine without relief, would be aggravated by civil war and anarchy with hopeless ruin, for with the loss of help would come the loss of hope, and that is wild despair.

Where would then be the British Government with its guarantee to the dispossessed Irish landowners?

Who can say, in that state of affairs, that Ireland would not then become a French province or a dependency of the United States?

If such would be the consequences of Mr. Mill's proposition, it is no answer when he says that, he is misrepresented. Nobody supposes that, these consequences represent his meaning, but only that, his proposition necessarily involves these consequences.

I will not, in these comparatively trifling remarks, enter into the grave question of the Irish Church lands and titles, which Mr. Mill handles with rather a rough hand. I have been so long accustomed to regard the property of the Established Church, whether in Ireland or in England, as sacred as, at least, the property of individuals, that I am not prepared to make an unconditional surrender of the one or the other to popular outcry.

The difficulty in dealing with Irish grievances seems to be in the great diversity of opinion as to what are the real grievances to be relieved. Much talk is heard about fixity of tenure for the Irish tenant, but nobody seems to know precisely what that means, and those who may be supposed to be best acquainted with Ireland say that, nobody in Ireland is ever heard to ask for it. The landlords and the laborers,

certainly, do not. The Protestant Parsons and the Roman Catholic Priests all declare that, they do not, and Mr. Mill himself doubts whether the tenants would care for it, if offered to them on fair terms. Therefore, something unfair to the landlords must be in contemplation, to make the offer acceptable even to the tenants. To set out in uncertainty as to where you are going is likely to lead to an uncertain end, and it may be safer to wait until you can see your way, especially when it is quite clear that, however wrong you may go, you can never retrace your steps. Before the Legislature steps in between the Irish landlord and his tenants to redress the tenants' wrongs, it seems only reasonable that, these alleged wrongs should be subject to enquiry and proof. If the result of such enquiry be, to substantiate the existence of wrongs, which Mr. Mill and others assume, and that, no other remedy than they suggest can save the separation of Ireland from Great Britain, then, by all means, let us take their remedy, with all its chances. But, then, it should be remembered that, as long as Ireland is united to Great Britain, whatever measure of relief is found good for Ireland, the same will be held good for, and must, sooner or later, be introduced into, the whole Kingdom.

It may, therefore, be not inappropriate to the present enquiry for the relief of Ireland, to consider whether some change might not be made in our fiscal system, for the general and equal relief of every part of the United Kingdom.

I have long been of opinion that, such a change might be effected, with incalculable benefit to the whole kingdom.

Several years ago, I set forth my views on this subject, with great minuteness of detail, supporting every statement, on the financial part of the question, with figures from the Government Accounts, in a work of much labor, called "The People's Blue Book." The First and Second Editions were published in August and October, 1857, and the Third Edition (re-written to meet the changes in the Revenue and Expenditure), was published in August, 1862, and within a few weeks afterwards that Edition was out of print.

I withheld my name, as the Author, from a disinclination to subject myself to the remarks, which I then expected would be made on my *revolutionary* views.

I now avow myself the Author, with less reluctance, and some better hopes from a re-

formed Parliament, and as the book has long been out of print, and I have no intention of ever undertaking the labor of another Edition, I may be excused for now referring to it, and quoting from it.

PART II.

TAXATION.

TAXATION.

THE following is a short outline of the scheme of Taxation proposed in 'The People's Blue Book;' 3rd Edition, 1862.

The present object is, to show that, the proposed change in the system of taxation for the United Kingdom is peculiarly applicable for the relief of Ireland.

This change, like every other great change, has been called revolutionary, but it involves no departure from Constitutional Law; on the contrary, it proceeds on the principle of the British Constitution, established by Magna Charta and confirmed by the Bill of Rights, now acknowledged as the People's Charter, though in practice disregarded on some most important points.

But as this Scheme of Taxation is founded on principles somewhat at variance with those laid down by the high authority of Adam Smith and received with almost universal assent, it will be convenient here to state shortly

the principle on which this scheme proceeds, and to show wherein it differs with the principle of that most eminent authority.

It has been said that, "*Actual equality of taxation* would be a criterion of the highest civilisation;" but this is as great an error as if, in place of the word, '*taxation*,' the word, *property*, were substituted. The one is as undesirable and impossible as the other.

It is a common opinion that, State Taxes should be raised by an equal rate on all descriptions of property. That the rate should be equal is a correct principle; but to apply that to all descriptions of property is, simply impossible, and, if possible, undesirable.

Property is so various and so variable in its nature that, equality of rating, for all descriptions of property, must be impracticable.

But the proposition assumes that, it is for the interest of the State that, all Property should be taxed by an equal rate.

I hold this assumption to be entirely wrong, and that, if it were possible to carry out such a system of taxation, it would be most injurious to the State.

I think I have proved that position in the pages of the 'People's Blue Book;' but I cannot enter into that proof here.

Adam Smith has said:—"The subjects of every State ought to contribute towards the support of the Government as nearly as possible in proportion to their respective abilities; that is, in proportion to the revenue which they respectively *enjoy* under the protection of the State."

It probably did not occur to Adam Smith, when he wrote those words, that, of the revenue which one man *receives* in the year, another man often enjoys the greater part, as in the case of that portion of a man's annual receipts, which includes the interest of borrowed money. And, why should "the subject contribute to the support of the Government" out of a revenue derived from a foreign country?

On no ground of policy or principle of justice can such a proposition be maintained. But on grounds of policy and justice it may be shown that, this proposition requires to be modified.

If it be shown to be for the interest of the State that, certain descriptions of property only should be taxed, it must be sufficient if all property of those descriptions be taxed by an equal rate.

There can be no principle for taxing all persons equally "in proportion to their respec-

tive abilities," if it be shown that, such taxation is injurious to the State, as well as to the individuals.

No person or class of persons could justly complain of injury, because another person or class of persons was untaxed, if all property of the same description were equally taxed, and if to tax them in property of another description would be injurious to the State and to all persons individually.

If it can be shown that, there are taxes on certain descriptions of property, which take out and keep out of the pockets of the people over and above what those taxes bring into the public treasury of the State, such taxes are expressly condemned by Adam Smith.

The Tax on Corn was such a tax. The Customs and Excise duties are such taxes. Every one of our existing taxes, including the Income Tax, as at present assessed, are such taxes, with the single exception of the Land Tax, which is unequally, and, therefore, unjustly assessed.

Adam Smith said:—"Every tax ought to be so contrived as both to take out and keep out of the pockets of the people, as little as possible over and above what it brings into the public treasury of the State."

This is an axiom which cannot be disputed, and this is a condemnation of all Indirect Taxes.

But this destroys Adam Smith's former proposition, as shown in the pages of the 'People's Blue Book.' It is there also shown that, no injury is done to the State or to Individuals, if large classes of persons escape the payment of any tax in respect of property; but that it is for the benefit of the State as well as of the Subjects that, such persons should be free from the payment of any tax in respect of property.

The plan of the work referred to is, to show that, the present system of Taxation is not "so contrived as to take out and keep out of the pockets of the people as little as possible over and above what it brings into the public treasury of the State," but quite the contrary, and to show this, the Actual Cost and Estimated Indirect Loss incurred by raising the Revenue under the present system, is given with much minuteness of detail.

For the present purpose a few abridged extracts will be sufficient.

For obtaining a clear insight into the working of the present system of taxation, it is necessary to examine it under the two following heads:—

1. Actual Cost.
2. Indirect Loss.

1. Actual Cost.

According to the Government Accounts of Public Income and Expenditure for the Financial Year, ended 31st March, 1861, the Net Taxes paid into the Exchequer (exclusive of Post Office, Crown Lands and Miscellaneous Receipts), were as follows:—

Taxes.	
Customs	£23,278,250
Excise	19,548,133
Stamps	8,368,869
Land Tax	1,144,672
Assessed Taxes	2,000,397
Property and Income Tax	10,957,060
Total	£65,297,381

From the manner in which the Government Accounts are made out, it is not easy to ascertain the Costs of Collection and Management of the Revenue Departments. But the fault seems to be much more in the system than in the book-keeping, though that might be much improved. It is easy to see how, under the

present system, very large sums of money might be misappropriated without risk of detection. No efficient check can be provided until the Revenue Departments be required to furnish an accurate Account of Income and Expenditure under each head.

This would, probably, reveal many secrets, but it would, certainly, afford much information, which the Public ought to have but cannot now obtain.

The Public now have no means of ascertaining the actual receipts from Stamps, Land-Tax, Assessed Taxes, and Income Tax; nor the actual expenditure of that enormous establishment at Somerset House in its numerous departments. The Legacy and Succession duties are muddled together, and the Irish Income Tax, under Schedule A. is lumped in one sum.

These are a few instances only in what some may consider small matters, and are given merely as illustrations; but when it is found that, the Government Finance Accounts differ widely from all other Statistics, professing to give the Income and Expenditure for the same periods, this encourages suspicion that, some of the Accounts will not bear close inspection. This suspicion can never be removed, until the

receipts and expenditure of each separate service be fully and clearly presented to the Public.

It is a striking fact that, the Costs of such an Establishment as Somerset House, maintained at an enormous annual expenditure, are no where to be found.

It is obviously impossible to prevent embezzlement or misappropriation of Public monies and other frauds, if the Books of Account of all the Revenue Departments of the State be not balanced periodically and submitted to strict and impartial audit. Nor can any good reason be shown, why the Financial Year of the Government should not terminate on the 31st December. It might be a sufficient reason for making the Financial Year so terminate, that the Government Account would then so far correspond with the Accounts of almost every public and private establishment in the kingdom.

If this simple and most natural mode of proceeding had been adopted, none of those extensive defalcations which have been discovered in the Income Tax, could have occurred.

This is no imputation of fraud, but it is a serious charge to say that, Accounts are kept in such a form as to be open to fraud, without any means of detection.

The following Accounts are taken from the Government Finance Accounts for the year ended 31st March, 1861:—

Customs.

Salaries and Expenses of the Customs Department (Finance Accounts, page 18)	£769,663
Coast Guard Service (Naval Estimates, page 22)	910,799
Superannuation Allowances, etc., (Finance Accounts, page 19) . .	170,979
Ditto, ditto, for Coast Guard and Revenue Cruisers Service (Ditto)	57,587
Ditto, ditto, for Colonies (Ditto) .	16,149
Costs of Customs.	£1,925,177

Inland Revenue.

Salaries and Expenses of the Inland Revenue Department. (Finance Accounts, page 18)	£1,344,934
Superannuation Allowances, etc., (Finance Accounts, page 19) .	201,970
	£1,546,904

Summary.

Total Customs	£1,925,177
,, Inland Revenue	1,546,904
Costs of Customs and Inland Revenue	£3,472,081

Here is an Annual Expenditure of £3,472,081 for the Costs of Collection and Management of the Customs and Inland Revenue Departments, according to the Government Accounts.

The Chief Authority at Somerset House (to whom special application was made on this occasion), says, in answer, that the expenses of that enormous establishment, in the collection of Stamps and Taxes, are all included in the Government Financial Account for the year, under the head of Inland Revenue; but in vain is that Account searched for the particulars of these expenses. If included, the mode of entry effectually baffles all investigation.

Under the Statute 24 & 25 Vict. cap. 103, sec. 19, the whole expense of Collecting the Inland Revenue, which comprises Excise, Stamps, Land and Assessed Taxes and Property and Income Tax, is voted by Parliament, in one Vote.

The Chief Authority at Somerset House, in

answer to the special application made to him for more particular information, wrote as follows:—

"There is no separate Vote or Estimate for the different branches of the Inland Revenue, nor can there be, the same person being in many cases employed in the collection of every branch. The expenditure is accounted for in the Finance Accounts annually laid before Parliament."

This is, no doubt, a correct but a very unsatisfactory answer; nor does it require much knowledge to see that, the revenue from Excise, Stamps, Land Tax, Assessed Taxes, Property and Income Tax, amounting together to £42,019,131, cannot be collected and paid into the Exchequer at so small a cost as, £1,546,904, or 3·681 per cent.

But, in the absence of fuller information, this must be taken as the actual cost of collection of the Inland Revenue.

The same reason applies to the Customs Duties, amounting to £23,278,250, and to the cost of collection, £1,925,177, or 8·207 per cent.

No one, acquainted with the working of the system of Customs and Excise, can doubt that, the actual cost very much exceeds these sums, as charged. But taking these to be the actual

Costs of Collection, as charged in the Government accounts for the Financial Year, ended 31st March, 1861, the Account stands thus:—

Summary of Actual Cost.

Customs	£1,925,177	or 8·270 per cent. on	£23,278,250
Inland Revenue	1,546,904	„ 3·681 „ „ „	42,019,132*
Total	£3,472,081	or 5·317 per cent. on	£65,297,381

2. Indirect Loss.

As there can be no certain data for Estimates under this head, it is needless to say that, the following Estimates must be uncertain. But, the object is not so much to show the exact amount of loss from the present system, as to show that, there is unavoidably a very great loss, which may be saved under a system of direct taxation.

To pay a direct tax costs nothing more than the amount of the tax itself, and the simple cost of collecting it. With Customs and Excise the case is very different, as will be seen, if all the costs, charges and expenses, together with the losses from frauds, delays, and other impediments to trade, be taken into the account.

* See pages 34 & 58.

To take this account in full is scarcely possible. For the present purpose it may be sufficient to add up the salaries of clerks (in Liverpool alone amounting to several hundreds) and Customs Brokers, demurrage of ships, (many of them worth to the owners £20 a day and upwards) detained for Landing Waiters, and all the crowd of paid loiterers. Also, loss of markets for cargoes delayed, often to the very serious damage and inconvenience of the merchant and owner. Also, dock-room provided at vast expense by mercantile communities, — that dock-room prevented, by Customs' regulations and interference, from doing much more than half the service it might and otherwise would do. Also, waste of labor in weighing, unpacking, and examining goods for the satisfaction of the revenue officers, without any benefit to anybody, but with certain great trouble, loss of time, and often with great injury to the commodities; and in connection with this, about a third of all the wages paid to porters on board, or attending ships discharging, or at bonded warehouses, where seldom more than six or seven hours' work are done in a day, though the men are paid for ten and a half hours. And add, the further delay, vexation and expense of the

petty stamp labels, recently required for every package and parcel and for every invoice and bill of lading. And to all this add;—loss from Allowances, Drawbacks, Frauds, and Negligences. It is difficult to ascertain all these items accurately, but it is not difficult to see that, collectively they must amount to a heavy tax, and must be serious impediments to Trade.

It is, probably, no exaggeration to assume that, all these Costs and Losses are equal to 6 per cent. on the amount of Customs and Excise duties paid into the Exchequer for the year, or £2,569,582.

These charges are in addition to the tax of 225 per cent. on the single article of Tea.

But this is not all.

The dealers' profits on the duties are, at least, 25 per cent., and when it is considered that, two, three, and, in some cases, even four cumulative profits (with all the intervening risks and charges for bad debts, insurances, &c., on the paid duty and cumulative profits in process), are paid by the consumer,—and when the per centage of profit necessary to the existence of the last retailer,—(whether in price or in quality,—matters not), is taken into account, the candid inquirer will not, probably, think these profits unreasonable.

This 25 per cent. on Customs and Excise duties is, £10,706,595.

The Cost of Prosecutions for Smuggling and other breaches of the Revenue Laws, and the Cost of transportation and maintenance in prison of those convicted, cannot be calculated with any accuracy.

The Government Account for the year ended 31st March, 1861, gives the Costs of Criminal and other Prosecutions at £180,000.

The Government Returns for the year, 1860, give the number of Criminal Offenders convicted, as follows:—

England and Wales . . .	12,068
Scotland	2,441
Ireland	2,969
Total	17,478

The expenditure of the Convict Prisons of England in the year 1860-61, is stated at £276,399.

How much of this expenditure is attributable to the Revenue Laws is not known; but it is well known that, these Laws are more fruitful in Criminal Offenders than all the other Laws of the kingdom put together!

But in the Government Financial Account

for the year ended 31st March, 1861, under the head of Customs,—the whole of the Costs charged for "Law Charges, Subsistence of Prisoners, Rewards for the Capture of Smugglers, Rewards for Seisures," and on account of Penalties recovered, and Expenses on account of Seisures is only £8,064 14*s.* 10*d.* This sum is included in the sum total as charged in the Government Account for Costs of Customs Duties,—£769,663 10*s.* 4*d.*

It may be a fact too unpleasant to be told by the Government, but it is well known to all who are acquainted with the working of the system that, this sum as charged is little more than nominal, with reference to the actual expenses, and that the further sum of £214,131, may be very safely added to the £8,064.

But, Indirect Taxation leads to a heavy augmentation of another burden:

The Rate for Relief of the Poor.

What proportion of this is incurred by increased difficulty for able-bodied men to earn an independent living, because high duties have made Trade unprofitable, have hindered production, have prohibited importation, compelling thousands of willing and skilful workmen "to sit enchanted in workhouses," is, of

course, impossible to be told. But, if one-third of the whole sum raised yearly under the Poor Laws, for the Relief of the Poor, be attributed to this cause, such would seem to be not an unreasonable estimate. Indeed, the Loss to the nation by the paralysis of industry is, probably, much more than the whole sum raised for the relief of the Poor. But, taking only one-third of the legal relief of the Poor as chargeable to the evil influence of Indirect Taxation, that one-third has been for England and Wales, during the last 40 years, £2,508,987 per annum, there having been no legal relief in Ireland and Scotland, until a comparatively recent period.

The amount returned, as levied for the "relief and maintenance of the Poor" in England, Wales, and Ireland, in the year ended 25th March, and in Scotland, in the year ended 14th May, 1848, was £7,941,778.

According to the 13th and last published Report of the Poor Law Board for England and Wales, for the year ended 25th March, 1860; and according to the 15th and last published Report of the Board of Supervision for the Relief of the Poor in Scotland, for the year ended 14th May, 1860; and according to the last published Report of the Commissioners for

administering the Laws for Relief of the Poor in Ireland for the year ended 29th September, 1860;—the sums expended for the Relief of the Poor were, as follows:—

England and Wales .	£5,454,964
Scotland	643,303
Ireland	454,266
Total . . .	£6,552,533

Taking this amount (which is below the average), one-third, or £2,184,177,—may be considered as a small proportion due to the operation of the Laws which prohibit commercial enterprise, hinder or extinguish manufactures, repress industry, and force productive hands to become non-productive.

This sum of £2,184,177 (nearly 6 per cent. on the Customs and Excise duties), may, therefore, be added to the previously accumulated items of Loss.

But directly oppressive as are Customs and Excise duties on the People, the injurious effects on Commerce are indirectly still more oppressive.

Our Trade with China is conducted, for the most part, on the system of Exchange. We take their Tea and Silk in exchange for our Manufactures, and our heavy duties, in com-

parison with the light duties of the Chinese, operate most injuriously on our Trade with China.

In 1847, a Select Committee of the House of Commons was appointed to inquire into the state of our Trade with China. The Committee sat sixteen days and examined 46 Witnesses, comprising 17 Merchants engaged extensively in the trade with China.

The substance of the laborious Report of that Committee, having been already given in the 'People's Blue Book,' cannot be here repeated. It is sufficient here to refer to the conclusion that, the exorbitance of our duty on Tea is limiting our Exports, and ultimately endangering our Trade with China, — and thereby seriously interfering with the employment of labor.

As affecting the social condition of the People, and our relation with China, the Report observes:—"That it is also desirable in itself, as promoting the increased consumption of a beverage wholesome and agreeable to every class of our population, and one which is increasingly desired as a substitute for intoxicating liquors; and that, it would be no more than is due to the Chinese, who tax our products so lightly, while we burden theirs so

heavily, and with such inconvenience to their trade."

Respecting the effect of such reduction on the Revenue, the Committee remark:—"In fact, the whole difficulty exists in the effect, which any material reduction,—and none other would be of much value, may be expected to have upon the *resources of the Exchequer*."

The Evidence of all the Witnesses examined on the question, as to the effect on our trade, was most forcible to this conclusion.

Medical and Chemical Witnesses were examined, and all proved the sanitary effects of Tea, and the great extent to which adulteration was carried, in consequence of the enormous duty levied on Tea, and that many of these adulterations were of a poisonous, and all of a highly injurious, nature. And further, all the evidence proved that, the present trade with China furnished no criterion for estimating what might be our trade with China, if, on on our part only, that trade were entirely free.

Who can pretend to say what might be our trade with China, if the duty on Tea were abolished; and our Merchants were free to import Tea into this country at the prime cost in China, with the addition only of the

cost of freight, which, in the rate per pound, would be an inappreciable and imperceptible sum?

Who can pretend to say to what extent China might receive British Manufactures in exchange for Tea and Silk, if all impediments to the mutual interchange of natural productions were removed?

Who, therefore, can pretend to calculate, with anything like accuracy, the loss to this country directly and indirectly from the Tax on Tea alone?

These remarks, which apply more or less to all the articles subject to Customs and Excise duties, are left to be applied by every one for himself. On such a question as this, it is to be expected that, different minds will take different views, and will arrive at different conclusions from the same facts. But it is also to be expected that, there are many who will come to the conclusion that, these Estimates of Costs and Losses are very much under the mark, and that, the system, which works out these results, ought to be changed.

How to estimate this *indirect* loss to our Trade and Manufactures through the inevitable operation of Customs and Excise is a question not easily answered.

It is not the estimate of an actual loss, but of the loss of a probable gain.

For this there can be no certain data, though the loss of the gain is certain and very great.

The computed Real Value of the Imports into the United Kingdom, for the year ended 31st December, 1860, was as follows:—

Total Imports	£210,648,643

The computed Real Value of the Exports from the United Kingdom, for the same year, was as follows:—

Total Exports of Foreign and Colonial Produce, and Manufactures	£29,827,836
Total Exports of British and Irish Produce (Declared Value)	£135,842,817

Can any one, acquainted with Trade and Manufactures, doubt that, our Imports and Exports will show 100 per cent. increase in the third year after the abolition of Customs, Excise, and Stamp Duties?

Can any one, experienced in these matters, doubt that, the increase will be 200 per cent.

within the first five years, after these duties and all other hindrances have been removed?

In this view, is it an unreasonable estimate to compute the *indirect* Loss to the Nation from these causes, on the last year's account of Customs, Excise, and Stamp duties, at 100 per cent., or £51,195,252?

But if the loss and injury to the trade and Manufactures of the Country be so great, what must be the loss and injury to the Landed Property and Houses of the kingdom?

It is manifestly impossible to make this estimate with any pretension to accuracy, but it is equally manifest that, a loss of such magnitude must very greatly deteriorate the value of all Landed and House Property in the kingdom.

If it be regarded only as the loss of a gain, it is still an actual loss, if it prevent an increase in the value of Land and Houses in the same proportion.

It can hardly be necessary to waste many words in showing that, the value of Land and Houses is, in a great measure, dependent on the prosperity of the Trade and Manufactures of the Country. This is a fact established by experience, and we know from experience that, depression of Trade and Manufactures has al-

ways been followed by corresponding depression in the value of Land and Houses.

We have no experience to guide us in an estimate of the probable increase in the value of Land and Houses after the abolition of Customs and Excise duties, but, if the increase in Trade and Manufactures be equal to 100 per cent. in the *third* year, it can hardly be an exaggerated estimate to assume the increase in the value of Land and Houses in the *fifth* year, to be equal to 75 per cent. on the same duties, or £38,396,439.

It is not to be expected that, the ultimate benefits of the change on Land and Houses, coming through the effects produced on Trade and Manufactures, can be fully realised until several years after the first effects have been brought into operation; but there can be no reason to doubt that, the full effects on Land and Houses will ultimately be in due proportion to the effects on Trade and Manufactures. How many years will be required for the full effects on both or either is, of course, beyond calculation, being, in a great measure, dependent on many circumstances beyond human foresight.

The estimate is, therefore, made at 75 per cent. for Land and Houses, within the first *five*

years after the change. In a few years afterwards, if no disturbing causes arise in the mean time, it may be reasonably expected that,—the Estimate of 100 per cent. will be nearer to the actual fact.

These may be taken as the principal heads of Indirect Loss to the Nation, through the present system of Indirect Taxation, by Customs, Excise, and Stamp duties.

SUMMARY OF INDIRECT LOSS.

Demurrages, Allowances, Drawbacks, Hindrances, Frauds, and Negligences. .	
Estimated at 6 per cent. on the Customs and Excise duties for the Year ended 31st March, 1861	£2,569,582
Extra Profits to Traders for Advance of Customs and Excise duties.	
Estimated at 25 per cent. on those Duties for the same year	10,706,595
Additional Costs of Prosecutions for Smuggling and other breaches of the Revenue Laws, and Expenses of transporting	

and maintaining persons convicted.	
As estimated for the same year.	£214,131
Augmentation of Poor Rates.	
Estimated at one-third of the amount raised by Poor-Rates in the United Kingdom for the year 1860	2,184,177
Loss and Injury to the Trade and Manufactures of the Kingdom.	
Estimated at 100 per cent. on the Customs and Excise duties, Stamps, and Taxes, for the year ended 31st March, 1861	65,297,381
Loss and Injury to the Landed Property and Houses of the Kingdom.	
Estimated at 75 per cent. on the same duties, Stamps, and Taxes, for the same year .	48,973,035
Total Indirect Loss . . .	£129,944,901

SUMMARY OF ACTUAL COST AND INDIRECT LOSS.

Actual Cost of Collection of Customs, and Excise, Stamps	

and Taxes, as charged in the Government Account for the Financial Year, ended 31st March, 1861	£3,472,081
Indirect Loss through Customs and Excise, Stamps and Taxes, for the same year, as estimated	129,944,901
Total Cost and Loss . . .	£133,416,982

SUMMARY OF CHARGES.

Net amount of Taxes paid into the Exchequer according to the Government Account for the Financial Year ended 31st March, 1861	£65,297,381
Actual Cost and Indirect Loss in raising the above Revenue .	133,416,982
Total Charge	£198,714,363

GENERAL SUMMARY.

Actual Cost	£3,472,081 =	5·317	per cent. on	£65,297,381
Indirect Loss	129,944,901 =	199·005		
Total Cost and Loss	133,416,982 =	204·322	„ „	133,416,982
Total Charge	198,714,363 =	304·322	„ „	£198,714,363

Thus, it appears that the Cost and Loss, directly and indirectly to the Nation, of raising the Net Revenue of £65,297,381 for the Financial Year, ended 31st March, 1861, under the present system of Customs and Excise duties, Stamps and Taxes, was £133,416,982, making the Total Charge to the Nation for the year (including the year's revenue) £198,714,363, or 304·322 per cent. on the whole amount raised for the year by these taxes; or, in other words,—£2,822,220, more than three times the whole amount raised by Customs and Excise duties, Stamps and Taxes for the year! Assuming the tax-payers to be six millions, out of a population of thirty millions (a large allowance), this is equal to a tax of £33. 2*s.* 4½*d.* a head. Of this sum, £10. 17*s.* 8*d.* and no more, finds its way into the Exchequer. This is in the proportion of 1*s.* to 3*s.* 0½*d.*, and, to be exact, a small fraction more than half a farthing more. Therefore, for every *shilling* paid into the Exchequer for Taxes, *three shillings and a half-penny* are taken out of the pockets of the people, and the difference is not only their loss, without any benefit to the Nation, but it is to the great injury of the Trade, Manufacturers, and Agriculture, and consequently, of the

whole property of the Kingdom, and the People of all the Nations of the World! And, be it remembered, this calculation is made on the Net Revenue.

On the ethical part of the question, or the loss and injury to the nation from the demoralising tendency and inevitable effect of our Revenue Laws, every one must form his own estimate, for we can never fully appreciate our loss under this head, until we can compare the results of a happier state of things with our experience of the past.

It is often used as an argument against direct taxation that, taxes so levied press with unequal, therefore, unjust severity on Real Property, and that, the real property of the country is already suffering under this unequal and unjust pressure. That the ground on which this argument rests is inconsistent with the facts of the case, will now be shown in the following Statement of Taxes, in a tabular form, for the Financial Year ended 31st March, 1861. This is exclusive of local taxation.

COMPARATIVE STATEMENT, showing the Charges on Trade and Industry, and on Real Estate, under the present system of Taxation.

Taxes.	*Net Revenue.*	*Taxes on Trade and Industry.*	*Taxes on Real Estate.*
	£	£	£
Customs Duties . .	23,278,250	23,278,250	
Excise Duties . .	19,548,133	19,548,133	
Stamps, viz.:—	8,368,869		
Deeds and other Instruments . . .	. . .	442,449	884,898
Probates and Letters of Administration	. . .	429,431	858,862
Legacies and Successions	. . .	720,608	1,441,217
Insurance, viz.:—			
Fire	. . .	1,485,540	
Marine	. . .	325,341	
Other Stamps . .		1,780,523	
Land Tax	1,144,672	. . .	1,144,672
Duties on Offices and Pensions . .	* 669	669	
Assessed Taxes, viz.:—	1,999,728		
Under Schedule B.			
Inhabited Houses .	. . .	. . .	822,936
Other Schedules .	. . .	1,176,792	
Income Tax, viz.:—	10,957,060		
Under Schedules A.B.C.	. . .	. . .	6,504,112
D.E.	. . .	3,920,775	
Increase in the year 1860-61 . .	. . .	532,173	
Net Revenue	£65,297,381	53,640,684	11,656,697

* Land Tax and Assessed Taxes, including "Duties on Offices and Pensions," are returned by the Inland Revenue Office in one sum, viz. £3,145,070, being £1 more than the aggregate of the above three sums.

Taxes.	*Net Revenue.*	*Taxes on Trade and Industry.*	*Taxes on Real Estate.*
COSTS AND LOSSES.	£.	£.	£.
Costs of Collection of Customs and Excise duties, including Coast Guard Service, Superannuation and Compensation Allowances, and Pensions of Customs and Excise, as charged	3,472,081		
Demurrages, Allowances, Hindrances, Frauds, and Negligences, as estimated	2,569,582		
Extra Profits to Traders for Advance of Customs and Excise Duties, as estimated	10,706,595		
Additional Costs of Prosecutions for Smuggling, Adulterations, and other Breaches of the Revenue Laws, and Expenses of transporting and maintaining Convicts, as estimated	214,131		
Augmentation of Poors' Rate, as estimated	2,184,177		
Loss and Injury to Trade and Manufactures, as estimated	65,297,381		
Loss and Injury to Landed Property and Houses, as estimated	43,531,586		
Cost and Loss £	127,975,533	53,640,684	11,656,697

Taxes.	*Net Revenue.*	*Taxes on Trade and Industry.*	*Taxes on Real Estate.*
	£.	£.	£.
Brought forward .	127,975,533	53,640,684	11,656,697
Charge on Trade and Industry	53,640,684		
Charge on Real Estate	11,656,697		
Total Charge . £	193,272,914		
Deduct Charge on Real Estate . . .	. . .	11,656,697	
Excess on Trade and Industry	. . .	£41,983,087	

SUMMARY.

Taxes on Trade and Industry	£53,640,684=	82·148 per cent.
Taxes on Real Estate . . .	11,656,697=	17·851 „
Excess on Trade and Industry	£41,983,087=	64·297 „
Cost and Loss	£133,416,982=	204·322 per cent.
Charge on Trade and Industry	53,640,684=	82·148 „
Charge on Real Estate . .	11,656,697=	17·851 „
Total Charge on Trade and Industry and on Real Estate	£198,714,363=	304·321

Much difference of opinion may reasonably exist on the actual bearing of Taxes on Trade and Industry and on Real Estate; but, according to the division here made, of the actual

Net Taxes, £53,640,684, or 82·148 per cent. bear directly on Trade and Industry, and only £11,656,697, or 17·851 per cent. bear directly on Real Estate; showing an excess of burden on Trade and Industry of £41,983,987, or 64·297 per cent. over Real Estate. It follows, consequently, that, these Taxes, including the Actual Cost, and the Estimated Indirect Loss, incident to the Collection, are equal to a Total Charge on Trade and Industry and Real Estate, for the year, of £198,714,363,—or 304·322 per cent., though, of these Indirect Losses, it will be seen that, nearly the whole presses as a burden on Trade and Industry, and only a comparatively small portion, — and that reflected,—on Real Estate.

In this Estimate it will be observed that, two-thirds of the whole amount of Stamps for Deeds and other Instruments, Probates, and Letters of Administration, Legacies, and Successions, are assumed to be charges on Real Estate, and one-third only on Trade and Industry.

The Returns of Income Tax for the year 1860-61 being without the Schedules, the division has been made according to the Schedules to the Returns for the year 1859–60. Therefore, as the increase in the year 1860–61 could

not be divided according to the schedules for that year, the whole of such increase has been assumed to be chargeable against Trade and Industry, and is charged accordingly.

In the Returns of the amount of property assessed under Schedule A. for Ireland, the Heads of Assessment have never been distinguished. The number of these Heads is *fourteen*, and the Return is,—"*—cannot be distinguished.*" Why not, is not said. These returns therefore, can be in no way relied upon, and furnish no check for the due application of the money so raised.

The Net Amounts in the Returns for Ireland against the 14 Heads of Assessment, under Schedule A, are as follows:—

HEADS OF ASSESSMENT.

Years ending 5th April.		£.
1854	. . . . .	11,767,810
1855	. . . . .	11,892,120
1856	. . . . .	11,878,545
1857	Cannot be distinguished.	11,952,285
1858	. . . . .	12,826,739
1859	. . . . .	12,858,701
1860	. . . . .	12,893,829

The total amount of Property Assessed in

Ireland under the five Schedules, according to the return for the year 1860, was £22,962,885.

It may be here observed that, the difference between the Net Amount of the Income Tax in the Government Accounts and in the Returns to Parliament, is irreconcileable and inexplicable; and, being given for the year, ending at different periods, must remain irreconcileable and inexplicable, as long as this practice is continued.

The second division under this head, gives, in minute detail, the plan proposed for carrying out in practice the New System of Taxation, on the principles here laid down, and which may be shortly stated to be comprised in the three following propositions:—

1. A tax on Property of a certain defined description, called *realised* property.
2. A tax on Persons of a certain defined class.
3. All other State Taxes to be abolished.

The Post Office, not being considered a legitimate source of revenue, is altogether excluded from this Scheme.

The Proposed Property Tax is considered under the three following heads:—

1. The description of property chargeable.

2. The rate of charge.
3. The mode of assessment and collection.

1. As to the Property Chargeable.

Real Estate.

All Manors, Messuages, Lands, Tenements, Houses and other Buildings, Parks, Chaces, Warrens, Woods, Underwoods, Coppices, Fisheries, Tithe Rents Charge, Other Rents Charge, Fee Farm and Quit Rents, to be charged yearly in respect thereof, for every Twenty Shillings of the annual value thereof, the sum of Two Shillings.

Exemptions.—All Lands and Houses of poor persons, under the full yearly value of Twenty Shillings in the whole; all Churches and other Buildings for Public Worship; all Public Charities; and all Parks and Playgrounds for the People.

The Land-Owner being taxed on the rack-rent, or annual value of his land, no Occupation tax is proposed to be charged. The Landlord will adjust that, as he thinks fit, with his Tenant, in fixing the rent.

The land being once taxed on the annual value, cannot properly be taxed again.

By getting rid of the Occupation Tax, much vexation will be avoided, and a great saving

of labor and expense of collection will be effected.

This will be regarded as a great concession to the Agricultural interest, but it will be, in fact, a great benefit to the Nation.

The Crops, live and dead Stock, however, as well as the property, must be held liable to be taken for the tax, or if the Lessee or Tenant otherwise pay the tax, he would have a claim upon his Landlord for repayment.

No property out of the United Kingdom to be subject to this tax.

Personal Estate.

All Annuities, Dividends and Shares of Annuities, payable to any person, body politic or corporate, company or society, whether corporate or not corporate, out of any Public Revenue, to be charged yearly for every Twenty Shillings of the annual amount thereof, the sum of Two Shillings.

Exemptions. All Annuities and Dividends under the yearly value of Twenty Shillings. Every fractional part of Twenty Shillings of the annual value aforesaid to be charged at the rate aforesaid, provided that no rate or duty be charged of a lower denomination than one penny.

The Pay of all Private Soldiers, Common

Seamen, and Petty Officers of both services, to be exempted from this tax.

No property out of the United Kingdom to be subject to this tax.

2. The Rate of Charge.

This can be fixed only by the Government, confirmed by Parliament. For the present purpose it is assumed to be fixed for the period of five years at 10 per cent. of the annual value of the property assessed, or 2*s.* in the Pound.

3. The Mode of Assessment and Collection.

The charge on Real Estate to be made with as much equality and indifference as possible, upon the present yearly value thereof, without any deduction, and a new valuation thereof to be made every fifth year, or other period, as fixed by Parliament.

Every Assessment to the Property Tax to be made upon the several Occupiers of the property chargeable, except Assessments upon any House or Tenement occupied by any accredited Minister from any Foreign Prince or State, which are to be paid by the landlord or person immediately entitled to the Rent of the said House or Tenement.

The duty to be charged in respect of any House, Tenement, or Apartment, belonging to Her Majesty, in the occupation of any Officer of Her Majesty in right of his Office or otherwise, (except apartments in Her Majesty's Royal Palaces) shall be charged on and paid by the occupier of such House Tenement or Apartment upon the annual value thereof.

Tenants and Occupiers to pay the tax and deduct it out of their rent; and if any difference arise between them and their Landlords concerning the rate, Commissioners to have power to settle the same, as they may think right and proper.

Owners of lands, tenements, and hereditaments, subject to the payment of Rent-charges or Annuities, Fee-farm Rents, Rent Service, or other Rents or Annual payments, issuing out of the same, to be at liberty to deduct out of every Fee-farm Rent or other Annual payment, so much of the pound-rate assessed upon the said lands, tenements, and hereditaments as a like rate for every such Fee-farm Rent or Annual payment respectively shall, by a just proportion, amount to.

Mortgagors to be at liberty to deduct from the Interest payable by them on all Mortgages of lands, tenements, and hereditaments or

monies, so much of the pound-rate assessed thereon, as a like rate for every such annual payment respectively shall, by a just proportion, amount to.

All existing exemptions for lands tenements and hereditaments, extra-parochial or otherwise, to be abolished.

The Sovereign, by virtue of the Royal Prerogative, is exempted from the operation of all Statutes imposing duties on the Subject.

The Valuation to be made by Surveyors to be appointed by the Government; and an equal number to be appointed by the Parish or District.

The Assessment to be made by Assessors, to be appointed by the Government, and an equal number to be appointed by the Parish or District.

Appeals from the Valuation by the Surveyors to be made to the Assessors.

Appeals from the Valuation, or Assessment as fixed by the Assessors, to be made to the Board of Commissioners.

The Board of Commissioners to consist of Public and Local Commissioners. The Public Commissioners to be appointed by the Government, and the same number of Local Commissioners to be appointed by the Parish or District.

The Appeal from the Board of Commissioners to be to the Lords of the Treasury.

The decision by the Lords of the Treasury to be final.

The Collectors to be appointed by the Government, who are to collect the Tax quarterly, and their receipt for the same to be a final discharge.

The Personal Tax.

This is called a Personal Tax, to distinguish it from the Property Tax. It may be called the Householder's Tax, being a personal tax charged on Houses for the convenience of collection.

It is proposed to charge all Householders occupying Houses above the yearly value of Twenty Shillings, according to the following scale:—

Exceeding	£1	and not exceeding	£5	.	£1
,,	5	,,	10	.	2
,,	10	,,	20	.	3
,,	20	,,	40	.	4
,,	40	,,	60	.	5
,,	60	,,	80	.	6
,,	80	,,	100	.	7
,,	100	,,	200	.	8
,,	200	,,	300	.	9
,,	300	,,	—	.	10

The Occupier alone to be chargeable with

the payment of this Tax, and the House to be liable for the same.

Every *bonâ fide* Occupier (not being a Lodger) to be chargeable with this Tax.

The Franchise.

It is proposed that every *bonâ fide* Occupier, chargeable with the Personal Tax, shall be entitled to register his name in the List of Voters for the County or Borough in which the House is situate, on production of the Receipt (signed by the Government Collector) for the payment of his Tax as the Occupier of such House, and to vote at every such Election, and to record one vote for each and every Twenty Shillings of such Tax, mentioned in such Receipt to have been paid by him as aforesaid, the number of Votes entitled to be recorded by every such Voter being equal to the number of Pounds sterling so paid by him as aforesaid, but not to exceed five votes for any one voter.

The same Voter (being bonâ fide Occupier) to be entitled to vote, in the same manner, at every Election of Members to serve in Parliament, for or in respect of every other House in every other County or Borough, but for or in respect of one House only in the same County or Borough.

Every Voter to pay Six-pence to the Regis-

trar for making the entry of the Voter's name in the Registry, and the money so received to form a fund for defraying the expenses of erecting the Hustings, and paying the Polling Clerks, and other expenses of the Polling Booths.

Any surplus, after payment of such expenses, to be paid over to the County or Borough, in reduction of such County or Borough rates.

No Candidate to make any payment for bringing a Voter to the Poll, or for influencing, directly or indirectly, any Voter to vote. The penalty to any Voter for receiving any money or other bribe, directly or indirectly, for influencing his vote, to be the forfeiture of his right to vote at that or any future Election of a Member to serve in Parliament. The Candidate guilty of paying such bribe to be disqualified for election to that or any future Parliament.

The Government Collector's Receipt for this Tax to be evidence of the Voter's title or qualification to vote at the Election of a Member to serve in Parliament.

This *annexe* to the Personal Tax will be only a restoration of the ancient Anglo-Saxon Constitutional right, acknowledged by Magna Charta and confirmed by the last Great Charter of the British People, THE BILL OF RIGHTS.

Here is no innovation, and in the restoration of an admitted Constitutional right there can be no danger. It was a saying of William Pitt that—"The Representative body should be the image of the represented . . . it should be an assembly united with the people by the closest sympathies."

Thus may be swept away, at once, one great cause of bitterness between classes,—so fruitful of many evils in different forms. The rights and just privileges of property would be preserved and acknowledged,—the moral force of character would be strengthened,—and the prominence of both would be maintained.

How the right of voting is really estimated by the Working Classes, would then be brought to the test, and how many of them would bring up their estimate to the price of Six-pence, payable to the Registrar, is a question which no one can now answer. But that many would consider this a prohibitory price for the privilege, there can be little doubt.

ESTIMATE OF THE PROPERTY TAX.

1. Annual Value of Lands in Great Britain and Ireland in the year 1860		£74,225,072

2.	Annual Value of Houses	.	£77,421,145
3.	„ „ of Tithe Rent Charge	.	507,405
4.	„ „ of Manors	.	511,589
5.	„ „ of Fines	.	380,728
6.	„ „ of Fee Farm and Quit Rents	.	325,000
7.	„ „ of Woods, Underwoods, and Coppices	.	2,250,000
8.	„ „ of Fisheries	.	168,712
9.	„ „ of Dividends on Public Debt	.	26,178,771
10.	„ „ of Canals	.	1,218,240
11.	„ „ of Railways	.	17,776,381
12.	„ „ of Interest and Dividends on Joint Stock and other Public Companies, and all other rateable property in the United Kingdom	.	90,000,000
	Total Yearly Value of Real and Personal Property in the United Kingdom, in the year 1860	.	£290,963,043
	Add 15 per cent. for the increased value for the three years from 1860 to 1863 inclusive	.	43,644,456

Estimated Total Yearly Value of the Real and Personal Property in the United Kingdom in the year 1863 . . .	£334,607,499

Here is a yearly improving revenue from REALISED PROPERTY, estimated at £334,607,499.

A Rate of 2*s.* in the Pound, or 10 per cent. on this amount, would produce a yearly revenue of £33,460,749.

ESTIMATE OF THE PERSONAL TAX.—INHABITED HOUSES.

200,000	exceeding in annual value £1, and not exceeding £5, at £1 a year . . .	£200,000
300,000	£5 to £10 at £2 a year	600,000
400,000	£10 to £20 at £3 a year	1,200,000
500,000	£20 to £40 at £4 a year	2,000,000
1,000,000	£40 to £60 at £5 a year	5,000,000
1,200,000	£60 to £80 at £6 a year	7,200,000
1,400,000	£80 to £100 at £7 a year	9,800,000
500,000	£100 to £200 at £8 a year	4,000,000
250,000	£200 to £300 at £9 a year	2,250,000
250,000	£300 to at £10 a year	2,500,000
	Total . . .	£35,750,000

The data for this Estimate are imperfect. The Census, of 1816, states the number of Houses Inhabited, Uninhabited, and building, in the United Kingdom, to be 5,404,780. It may, therefore, be safely assumed that, in the year 1863, there will be in the United Kingdom, more than Six Millions of Inhabited Houses.

The divisions, in the scale here given, have no pretension to accuracy, there being no sufficient data for any such niccty of calculation.

It may, however, be assumed that, the scale is sufficiently accurate for the present purpose, and it is evident that, the numbers in excess in any one of these divisions must increase the numbers in the other divisions.

SUMMARY OF REVENUE.

1. Property Tax	£33,460,749
2. Personal or Householders Tax	35,750,000
3. Crown Lands. The same as for the year ended 31st March, 1861	412,450
4. Miscellaneous	1,453,100
Gross Revenue . . .	£71,076,299
Deduct Cost of Collection at 2 per Cent.	1,421,525
Net Revenue	£69,654,774

How these Estimates are Made.

As no Estimates are entitled to confidence, if the grounds on which they are made be withheld, the following are the grounds of the Estimates here given.

1. The Estimate of Lands.

The basis of this Estimate for England and Wales and Scotland is, the Assessment for the Income Tax; a very imperfect basis, but, perhaps, the best to be found for this purpose. How much this Assessment is below the fair Annual Value can never be known, until an impartial Survey and Valuation shall have been made.

Those who are acquainted with the mode of arriving at this Assessment can hardly admit that, it fairly represents so much as one-half of the Actual Annual Value. But this Estimate assumes that, the Assessment represents two-thirds of the Annual Value.

The Assessment for Ireland not being given under separate heads in the Income Tax Return for Ireland, this Estimate has been made at 50 per cent. on the whole Assessment under Schedule A. for Ireland. This is, probably, very much under the true mark, for Ireland.

2. Houses.

The same basis has been taken for this Estimate. But 33⅓ per cent. has been taken on the whole Assessment under Schedule A. for the Estimate of Houses in Ireland. One-third has been added to the whole for the assumed deficiency of the Assessments.

This also is supposed to be very much under the true value.

3. Tithe Rent Charge.

From the peculiar and variable nature of this property, there is, necessarily, much uncertainty in this Estimate.

In answer to my inquiries, the Secretary of the Tithe Commissioners for England and Wales, "by Order of the Board," wrote as follows:—

"I am directed by the Tithe Commissioners to say that, the total amounts of Tithe Rents Charge assigned under the Commutation Act, in England and Wales, to which the jurisdiction of this Board is confined, according to the returns as yet published, are as follows:—

	£.	s.	d.
"To Clerical Appropriators and Lessees . . .	678,345	11	1¾
,, Parochial Incumbents	2,410,506	7	6½
,, Lay Impropriators .	765,427	5	4¾
,, Schools, Colleges, &c.	195,948	5	11½
	£4,050,227	10	0½"

These Rent Charges vary each year with the average prices of Corn for the previous seven years.

According to the Tables, the worth, in the year, 1862, would be increased 9⅝ per cent., or the worth of a Rent Charge of £100 in the year, 1862, would be £109 13*s.* 6¼*d.*, being an increase of about 9⅝ per cent.

But from this valuation many deductions are allowed by law, which, in taking a gross account, can hardly be estimated in detail, and there is one item of allowance which it is impossible to estimate with any accuracy, this is for the merger of the Tithe Rent Charge in the land by the owner, he being also the Lay Improprietor.

It is manifestly impossible to make an estimate of all these items of allowance with any pretension to accuracy. Whether the deduc-

tion of 25 per cent. be too much or too little, is, therefore, left an open question.

But, making this addition and deduction, the account would stand thus:—

Total of Tithe and Rent Charge, for England and Wales	£4,050,227
Increased Value in 1862, 9⅝ per cent.	389,534
Gross estimated value in 1862 .	£4,439,761
Deduct 25 per cent. for Allowances	1,109,940
Net rateable value in 1862 . .	£3,329,821

It appears, the Board of Commissioners consider that, in whatever manner the gross estimated Rental be calculated, the net rateable value must be obtained by deducting from the annual value of the Rent Charge for the current year, the following items:—

A. The Annual amount chargeable on the rateable value of Tenants' Rates and Taxes.

B. An Annual average per centage—
   (*a*) for the costs of collection,
   (*b*) for legal process, and
   (*c*) for losses;

C. The proportionate charge for the Ecclesiastical dues and fees, and an average sum for the annual cost of repairing the Chancel;

D. A reasonable sum for a Curate's salary, if a Curate be employed to supply accessary aid to the Minister, and not as his substitute;

E. The amount payable to the Minister of a district, if the parish has been legally divided and the tithes have been actually or virtually severed, and an amount charged upon the living in behalf of such Minister;

F. A reasonable sum for a Tenant's profit, regard being had to certain particular circumstances.

Assuming that, the returns to the Income Tax have been made upon this principle, (which is assuming a great deal), in this Estimate the average has been taken of these Returns for nine years, from 1852 to 1862, and, to qualify the foregoing assumption, one-third more has been added.

So much for England and Wales.

The tithes, or teinds, in Scotland are in a different position.

"These were commuted in the reign of Charles the Second, never to be altered by the shifting price of Corn.

"The Scotch Clergy did not get the whole of the Tithe as then fixed. The money so appropriated was merely declared to be a fund out of which the Scotch Clergy had a right to get reasonable Stipends, and the Supreme Court of Scotland got power to fix what they thought a reasonable Stipend, once in about twenty years. But the Scotch Clergy can never get more than the fixed value of the tithe in the reign of Charles the Second; and, in the majority of cases, that limit has not been reached. But in many cases it has been reached, and in these no future increase can be got.

"There was no separation of the tithe from the rest of the land, as a general rule. The landed proprietors, after the Reformation, just pocketed the surplus.

"The Roman Catholic Clergy had right to the whole.

"The tithes of Bishoprics, and some other Church Offices, went to the Crown, as did the Church lands, and these were generally jobbed to the nobility. The Crown became bound to sell the surplus tithes belonging to it for nine

years' value of the rent, as fixed in the time of Charles the Second, to the owners of the land, and this enabled the landowners to get the Crown's share pretty generally. There were special cases in which the Crown has retained them down to the present time, and also some Church lands in Orkney and elsewhere, which have been selling during the last twenty years.

"The proceeds will be seen in the Annual Reports of the 'Woods and Forests,' and 'Board of Works.' "

The Author is indebted to Mr. Duncan Maclaren, of Edinburgh, for this concise history of Scotch Teinds, here given in his own words, from the 'People's Blue Book,' 3rd edition.

In the Income Tax Return for Scotland no Assessment is given under this head; and for Ireland, as before mentioned, there is no distinction under heads in Schedule A.

This estimate, therefore, as regards teinds in Scotland, and tithe rent charge in Ireland, cannot properly be called an estimate, being taken at one-half of the amount as estimated for England and Wales, though this, probably, is not far from the truth.

4. Manors.

The same basis has been taken for this estimate for England and Wales.

No Assessment under this head being given in the Income Tax Return for Scotland, the estimate for Scotland has been taken at one-half of the Assessment for England and Wales, and at one-third of the same for Ireland.

One-third more has been added for the assumed deficiency of the Assessments.

5. Fines.

The same basis has been taken for this estimate for England and Wales and Scotland; and one-fourth of England and Wales for Ireland.

One-third more has been added for the assumed deficiency of the Assessments.

6. The Fee Farm and Quit Rents.

This estimate has been made on facts collected from a great variety of sources, but of no reliable authority, and must, therefore, be regarded as very uncertain.

7. Woods, Underwoods, and Coppices.

The observation on the last estimate applies

equally to this. There are no authenticated facts for a reliable estimate under this head.

8. Fisheries.

The same basis has been taken for this estimate for England and Wales and Scotland; and Ireland has been estimated the same as Scotland.

One-third more has been added for the assumed deficiency of the Assessments.

9. Public Debt.

This is no estimate, but a well-known fact, taken from the Government Account for the Financial Year, ended 31st March, 1861.

10. Canals.

The same basis has been taken for this Estimate for England and Wales and Scotland; and Ireland is estimated the same as Scotland.

One-third more has been added for the assumed deficiency of the Assessments.

This estimate is uncertain.

11. Railways.

The same basis has been taken for this

estimate for England and Wales and Scotland; and Ireland is estimated the same as Scotland.

One-third more has been added for the assumed deficiency of the Assessments.

This estimate is less than the amount given in the public returns by the Railway Companies. From the Official Reports and Returns of the Railway Department of the Board of Trade (1850–1861), it appears that, the United Kingdom is intersected by 10,500 miles of Railway, of which two-thirds are constructed with a double line of rails, and the gaps over the country are being filled up at the rate of 400 miles a year.

The sum of £400,000,000 has been expended within the last thirty-five years upon these works: the total receipts derived from them during the year, 1860, amounted to £27,766,622; and the net revenue for the same period was upwards of fourteen millions and a half.

12. Joint Stock and other Public Companies, &c.

This is a rough estimate made from the Declared Statements of the Interest and Dividends paid by all the Joint Stock and other

Public Companies in the United Kingdom, for the year, 1860 (exclusive of Railways and Canals), and of the Annual Value of all other Realised Property of the Kingdom, rateable to the Property Tax, for the same year.

This Estimate has no pretension to accuracy, but is supposed to be under the true amount.

BALANCE OF ACCOUNT BETWEEN THE OLD AND THE NEW SYSTEM.

Under the Old System.

Net Amount of Taxes paid into the Exchequer, according to the Goverment Account, for the Financial Year, ended 31st March, 1861	£65,297,381
Actual Cost and Estimated Loss in raising the above Revenue	133,416,982
Total Charge . .	£198,714,363

UNDER THE NEW SYSTEM.

Net Amount of Taxes paid into the Exchequer . . .	£65,297,381
Cost of Collection at 2 per Cent.	1,305,947
Total Charge . .	£66,603,328

Total Charge under the Old System	£198,714,363
Total Charge under the New System	66,603,328
Difference . . .	£132,111,035

Assuming the same amount of revenue raised, here is a balance in favor of the New System, of 298·505 per cent., or within 1·495 per cent. of three times the amount of revenue raised!

UNDER THE OLD SYSTEM.

Taxes on Trade and Industry .	£53,640,684

UNDER THE NEW SYSTEM.

Taxes on Trade and Industry .	*nil.*
Difference	£53,640,684

Here the whole of the burden on Trade and Industry is removed!

UNDER THE OLD SYSTEM.

Taxes on Personal Estate .	£53,640,684
„ Real Estate . . .	11,656,697
Difference in favor of Real Estate	£41,983,987

UNDER THE NEW SYSTEM.

Taxes on Real Estate . . .	£15,578,965
„ Personal Estate . .	13,517,339
Difference in favor of Personal Estate	£2,061,626

UNDER THE OLD SYSTEM.

Taxes on Real and Personal Estate	£65,297,381

UNDER THE NEW SYSTEM.

Taxes on Real and Personal Estate	£33,460,749
Difference	£30,936,632

UNDER THE OLD SYSTEM.

Actual Cost and Estimated Loss	£133,416,982

UNDER THE NEW SYSTEM.

Cost of Collection	£1,402,214
Difference	£132,014,768

Thus, it appears that, to raise the revenue of £65,297,381, under the present system, costs the country £133,416,982,—or, 204·322 per cent. on the amount raised; and that, to raise the revenue of £70,110,749, under the proposed New System, would cost the country only £1,402,214, or 2 per cent. on the amount raised, being the Cost of Collection, showing an actual saving to the country, in money alone, of £132,014,768 a year!

To superficial observers this will appear to be a very exaggerated statement; but, when examined carefully in all the details and bearings, this will be found to be rather under than over a true estimate of the result to be expected.

But this is an estimate only of the financial result.

The moral results to the Nation, and to the whole civilised world will be far more important, and, though beyond human calculation, are worthy of the deepest reflection.

The strong desire for equalisation of taxes arises from every man thinking himself more highly taxed, in proportion to his means, than his neighbor. But this is a very narrow view for forming an equitable system of taxation.

The Land is the basis of the wealth and strength of every Nation; and the *market* price or value of the yearly produce of the Land ought to form the ground-work or basis of taxation.

It is a narrow and very erroneous view, too commonly taken by Land-proprietors, to suppose that, by throwing the burden of taxation on the industry of the country, they are relieving the land from that portion of the burden.

This is a superficial and short-sighted view of the question, for all the taxes that are thrown upon industry, come back upon the land in many and aggravated forms.

What has been the principal cause of the increased market-price of Land in this country of

late years, but the removal of the heavy weight of taxes from Industry?

Look back to the market-price of the average land in this country thirty years ago, and compare that with the present average market-price!

Look back thirty years ago to the unpeopled lands of Australia, or to the remote parts of Canada, and what was then the market-price of land there, without population or trade?

What, but the great and rapid increase of population and trade, has raised those lands to the present high prices?

In this point of view it may be seen how certainly the price of land in this counntry must go on rising with the increase of population and the prosperity of trade and manufactures, and how much it is for the interest of Land-owners to bear such a proportion of the necessary taxation, as may continue to encourage and still further extend, what alone they ever can extend, trade and manufactures.

What must be the increased price of land in this country twenty years hence, even at the present rate of increase?

What may be expected to be the average

market-price of Land in this Country twenty years hence, if, in the meantime, the pressure upon the means of subsistence be removed by the removal of all taxes on the laborers' *own labor*, and on all stock-in-trade, and on all machinery, and by carrying out a system of internal and international free trade?

Surely, it is better for a Nation that, its People should find a comfortable home in their native country, than that, they should be driven away by a pressure upon the means of subsistence!

What stronger evidence of misgovernment in Ireland can be brought against the English Nation than that, millions of Irish Families have, within the last twenty years, been forced to quit their own dear native land to seek the means of subsistence in foreign countries?

It is adding insult to injury to attempt to account for this great calamity by disparaging the character or habits or religion of the Irish People.

The Irish People, as a Nation, are, perhaps, the hardiest, the strongest, the bravest, and the finest people in the whole world, and they have borne starvation longer and better, perhaps, than any other people in the world could have borne, without going quite mad.

But, when a people are 'gone mad,' from whatever cause, they must be restrained; nor, in seeking the remedy, should past provocation be taken into consideration, much less should any wrong be done to others, by way of set-off.

The wrongs of mis-government are not confined to Ireland, for, as these figures show, England has long borne her heavy share.

What a world of misconception and malignant passion would be saved, if taxes were laid ostensibly, as well as virtually, upon the owners of realised property.

What a practical reconciliation would be effected between the wealthier and the poorer classes, if only taxes were universally removed from the necessaries and luxuries of life, and these were left open to the equal and fair competition of all, as the rewards of their own successful labor and skill! As the late Dr. Chalmers said:—"What a death blow would be thus inflicted on the vocation of demagogues! What a sweetening influence it would have on British Society," [and on Irish Society,] "after the false medium was dissipated, through which the high and the low now look on each other as natural enemies!"

It was the opinion of the same good and

right-minded man that, "if the whole of our public revenue were raised by means of a territorial impost, it would ultimately add nothing to the burden, which now lies on the proprietors of the land; for they, when fighting against such a commutation, are fighting in defence of an imaginary interest."

So, he suspected, they were, and so, as since proved, they were, when they resisted the abolition of the Corn Laws. Such a political economy as this, had it preceded, would have superseded all those tempestuous politics of that time.

This is the enlarged view, which should be taken by statesmen in directing the legislation of this country, and if this principle were firmly relied upon and steadily acted upon, the results would soon dispel all fears for the consequences, and then all classes would find out that, their true interests were identically the same and inseparable.

If the landed aristocracy, instead of their blind resistance to all change,—or, as they called it, innovation,—and their tenacious adherence to what they imagined, but falsely imagined, to be their own indispensable interest, had paid all taxes, and left all trades unfettered, so far as human actions can be calcu-

lated upon by human motives, it may be confidently said that, no political sacrifice would have been required of them, and they would have remained in the undisturbed possession of their natural and rightful inheritance, as lords of the commonwealth.

But the democracy of England, fired by a sense of injury, made head against them and wrested from them by force, what ought to have been freely and willingly conceded in the spirit of an enlightened policy. May the landed aristocracy take warning from the past, for the protection of their natural and lawful rights for the future! There lies yet before them a noble field of improvement in rightly shifting the burden of taxes, in emancipating trade, and that without reserve or limitation; above all, in providing—amply and liberally providing—both for the Christian and Literary Education of the People.

LOCAL TAXATION ON LAND AND HOUSES!

In considering the direct burdens upon Land under the present system of taxation, it is scarcely possible to estimate the losses indirectly inflicted upon land by the manifold injuries, which this complicated and expensive system directly inflicts upon trade. But it is

clearly to be seen that, if these injuries to trade were removed, the relief to land would be greater than the whole amount of taxation, which land now bears.

The local taxation upon land is out of the question, for, in either case, that remains the same, unless the burden of the Poor Rate be reduced, and that may be confidently relied upon as one, and not the least, of the beneficial results to be expected.

By local taxation are usually meant, taxes levied in particular districts of the country, and expended for the purposes of those districts.

The existing taxes of this description in England and Wales are thus enumerated in the Report of the Poor Law Commissioners on Local Taxation, in 1843.

"Rates of independent districts:—

"Poor Rate series—taxes on the basis of the poor-rate.

1. Poor rate.
2. Workhouse building rate.
3. Survey and valuation rate.
4. Jail fees rate.
5. Constable rate.
6. Highway rate.
7. Ditto, additional rate for purchase of land.

8. Ditto, additional rate for law expenses.
9. Lighting and Watching rate.
10. Militia rate.

,, Miscellaneous taxes. Each on an independent basis.

11. Church rate.
12. Ditto, for new Churches and repairs.
13. Burial-ground rate.
14. Sewers rate.
15. General sewers tax.
16. Drainage and enclosure rate.

,, Rates of aggregated districts:—

,, County Rate series.—Taxes imposed originally on aggregated districts by some general authority, but ultimately assessed on the basis of the Poor rate.

17. County rate.
18. Ditto, for lunatic asylums.
19. Ditto, for building shire halls.
20. Burial of dead rate.
21. Hundred rate.
22. Police rate.
23. Borough rate.
24. Watch rate in Borough.

To which may be added,

25. Health of towns' rate."

Thus, it appears that, the local taxes leviable in England and Wales,—most of which

may be considered as direct burdens upon land and houses, are twenty-five in number.

But these are not twenty-five separate collections, some of these rates being furnished from the funds of other rates, some being incapable or too difficult of collection, and some being required only on a few occasions, or in limited localities.

There are no means of forming an accurate estimate of the local sums annually raised under the various rates enumerated above, and some others now to be added, but it is certain that, their aggregate amount must be very large, and, probably, does not fall short of £25,000,000 a year for the United Kingdom.*

This vast amount of local taxation is a very important feature in the economical condition of the kingdom.

The Poor Law Commissioners estimate that, in England only, no fewer than 180,000 individuals are connected, one way or another, with the levy of the local taxes. Many of these render their services gratuitously; but

* By returns, since made to Parliament, of the Accounts of the several County Treasurers in England and Wales, and of the Amount levied in each County, for County Cess, in Ireland, the sums annually raised under the various local rates are given in particular detail, for the year ending Michaelmas, 1866.

vast numbers are paid, some by salaries and some by a per centage on the sums collected. And there are good grounds for thinking that, in many cases, the accounts of the parties so employed are not subjected to any very efficient check or control, and that, consequently, there are many opportunities for abuse. But the point of paramount importance in the reform of local taxation is, the selection of a proper and invariable basis on which to raise the assessment for all real property, for local as well as national taxation throughout the kingdom.

The purposes to which the local taxes are lawfully applicable (amounting to about 200) are so numerous and various that, a detailed catalogue would be tedious, and a general description almost useless. The names of the rates as here given usually indicate with sufficient distinctness the primary purpose of each; but this primary purpose is not always the only one to which the tax is, even by law, devoted. The poor rate, by far the heaviest item in the list, is also the most multifarious in its objects; comprising, besides the relief to the poor, such general measures as the registration of the births and deaths, the vaccination of all classes of the community, the

prosecution of certain kinds of criminals, the preparation of the lists of jurymen, and parliamentary voters, and so forth. The county rate, again, provides for the repair of bridges, the maintenance of jails, the relief of prisoners, the payment of coroners, the prosecution of felons, and a long list of purposes besides. It may be observed, generally, that the several rates are designed to deal with exigencies of a most important public character, and it is, therefore, highly desirable that, they should not only be levied with fairness, but also be expended with fidelity.

The following rentals on real property assessed to the poor rate in 1841, and to the property tax in 1842, in England and Wales, show a striking difference in the valuations made about the same period:—

	Assessed to the Poor Rate, 1841.	Assessed to the Property Tax, 1842.	Difference.
	£	£	£
Landed Property .	32,655,137	40,167,088	7,511,951
Dwelling Houses .	23,386,401	35,556,399	12,169,998
All other Property .	6,498,492	10,079,248	3,580,756
Total . . £	62,540,030	85,802,735	23,262,705

Here is a difference of £7,500,000 upon land;

£12,000,000 upon houses; and £3,000,000 upon all other property, on a comparison of rental valuations made nearly at the same time.

Now, the average price of wheat for three years prior to the property and income tax was, 67*s.* per quarter, and as the price of wheat is taken as an index of the general value of agricultural produce, a reduction in price of 25 per cent. reduces the actual rental of the land to £30,125,316, or £10,041,772 per annum below this assessment to the property tax. How, then, does this affect the taxation of the country? With respect to the poor rate, it is of no consequence whether the rental be high or low, provided the assessment be fairly levied, for this simple reason that, the *amount* demanded for poor rate is fixed, and must regulate the *per centage*; but, with respect to the property and income tax, and all *fixed* taxation, the *per centage* is fixed, instead of the amount, the consequence of which is that, as the annual worth of rentals diminishes, the ratio of taxation increases in a corresponding degree; for a tax of 1*s.* per pound, sterling, on £40,000,000 amounts to £2,000,000; but if the annual rental become reduced in worth to £20,000,000, or 25 per cent., the tax

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of 1*s.* is increased to 1*s.* 4*d.* per pound on the actual rental:—Whereas, if the taxes were collected upon a just estimate of the annual rental, the amount would be reduced to £1,500,000.

Revision of National Assessments.

From the foregoing remarks it must be evident that, the first step towards a just system of taxation will be in a thorough revision of the National Assessments.

This can be done only on a new Valuation of all the real property, founded on the then present average price of wheat.

A Valuation so regulated every three or five years, would form a sound basis for all local and national taxation on real property throughout the kingdom; or, at least, would remove the absurd discrepancies exhibited under the present system of different assessments.

These are some of the weighty considerations, which must soon force themselves upon public opinion, with regard to British Taxation. It is evident that, the rentals of landed property form half the sum whence the support of the poor is derived, without taking into consideration other charges, of a local and public nature, raised from the same source. The question, then, is, what effect will be pro-

duced upon the rental of lands, if the price of agricultural produce should fall 25 per cent., even assuming that, landlords reduce their rents accordingly? The claims of the poor would not diminish in the same proportion; nor would the reduction of rent be accompanied by an increase of labor among the poor. These objects can be accomplished only by the introduction of foreign produce, and the increase of trade and manufactures; and without these the burden of British taxation must every year increase in weight.

From this consequence there is no escape.

The rental of a country is, *the amount and market price of its annual produce.* Reduce that, and you diminish the main source of all public and private revenues, while you cannot abate one farthing of your taxation.

In this state of things the landlord and the tax-collector will be contending with each other for the produce of the soil, and the tenant will struggle in vain for the means of subsistence, while the wages of labour will fall to a scale too low to allow the labourer to purchase the highly-taxed necessities of daily life; and thus the country will drift into one common gulf of misery and ruin.

These effects will be first seen in Ireland.

The people of England are too apt to consider themselves safe against this wholesale ruin. They pride themselves on being a more industrious and cautious race than the inhabitants of "The Emerald Isle." But they make this boast without full consideration of their position. It is the centralisation of capital in England from every part of the globe which has hitherto prevented Great Britain from falling into the depths of misery into which Ireland has been so long plunged. But the reduction of wages, employment, and profits, are signs that Great Britain is slowly drifting towards that gulf of misery, though yet the danger be seen but as the "little cloud arising out of the sea, like a man's hand." But this, however, is certain, that the causes, whatever they may be, which reduce the amount of "*profitable wages*" paid for British labour, must diminish British Capital and Industry, and must increase the amount of British Pauperism.

The fact is, we are making British labour pay for every change introduced into our commercial and agricultural legislation; and, if this system be continued, we must, in the end, pay the penalty due for sacrificing the comforts of the poor at the shrine of Mammon. Pauperism

in this country is becoming an organic and progressive evil, and, in the purely agricultural parts of the country especially, has increased and is increasing under all changes. This is one of the most lamentable effects of our present system of taxation, which increases the cost of living, and with these victims and the scarcely less pauperised tradesmen of small means in country towns, our jails are chiefly filled.

So long as this system continues, these consequences must ensue, and must go on increasing; and very small and slow, and altogether unsatisfactory, must be the beneficial effects of any expenditure on the education of a people who are not receiving fair wages for their labor, and who are deprived of those comforts and enjoyments which they are entitled to expect, and, indeed, to demand, in return for their industry and skill.

It was a sound remark of Sir Robert Peel, in his speech on the Income Tax, 23rd March, 1842, that—"If you make a great reduction, not, I would say, in the amount of poor rates, but in the cost of living, on account of which those poor rates have been kept high, those who pay the poor rates will derive considerable advantage from that reduction. I may observe

here that there has been a tendency of late years to increase the poor rates on account of the high prices of provisions."

It is impossible, under the present mixed system of direct and indirect taxation, to preserve anything like an approximation to equalisation; for it is impossible to obtain even the first figures essential for such a calculation. No one in this kingdom can say, with precision, what is the actual amount of the national burdens. Clearly, it is not the nominal amount given in the official accounts, because a great part of that is owing to the State for taxes. It is, therefore, necessary for ascertaining whether taxes be equally distributed or not, to ascertain in the first instance, what is the actual amount of taxation. Now, as Mr. Macculloch observes, for this it is indispensable to deduct, from the apparent amount, all that portion of the taxes which is paid by public functionaries, and by those subsisting on the dividends or interest of the money lent to the State. The balance of taxation remaining, after this sum is deducted, forms the burden really borne by the public. If A. owe B. on one account £100, and B. owe A. on another £20, it is plain that, the sum really due by A. to B. amounts to only £80; and such is precisely the case with the public.

The State owes certain sums to certain parties, but these parties have, by means of taxes, to pay certain sums to the State; so that, the sum really paid by the State amounts only to the balance or difference between the two.

It would, however, be extremely difficult, as Mr. Macculloch also observes, or rather impracticable, to make anything like a fair estimate of what the balance in question may amount to in this or any other country. Much obviously depends on the nature of the taxation. In this country, where by far the largest portion of the revenue is derived from taxes on articles of consumption, the sums received from the public functionaries, creditors, and dependents on Government, will, of course, be very much larger than in countries where the public revenue is mainly derived from direct and fixed taxes, such as land and property taxes and the like. But, from the impossibility of ever ascertaining with accuracy the quantity of taxed articles consumed by individuals or by classes of people, the difficulty of making anything like a fair estimate is so increased, as to become almost impracticable for any useful purpose.

For the same reasons, it is equally impracticable to form a correct estimate of the aggregate incomes of any two or more countries;

and if this difficulty were got over, and the income, population, and taxation of any two countries were known, it would be all but impossible to say which was most and which was least heavily taxed. The same amount of income yields a very different supply of the necessaries and conveniences of life, in different countries; and, supposing other things to be equal, the well-being of individuals obviously depends, not on the amount of their money incomes, but on the amount of necessaries and conveniences for which those incomes will exchange.

Hence, as Mr. Macculloch says, supposing the average incomes of the people of two countries amount, before their taxes are paid, to £20 a head; and that the taxes payable in the one country amount to £4, and in the other to £5, a head, we should not be able to say, without further examination, whether taxation were really heavier in the latter than in the former; for the pressure of taxation is to be measured not so much by what it takes, as by what it leaves; and if the £15 of income remaining to the inhabitants of the one give them a larger command over necessaries and conveniences than the £16 remaining to those of the other, we apprehend it would be correct to say that they were the least heavily taxed.

Effects of Taxation on Profits and Wages.

Taxes being the transfer of a portion of the property of individuals to the State, the tendency of comparatively high rates of taxation must be to produce a lower rate of profit, with inadequate wages, and to drive capital from the country.

Local and exceptional circumstances, however, may for a time, countervail the influence of a low rate of profit from sending Capital abroad, yet that effect is always sure to follow, whenever the fitting opportunity occurs. There is no instance of a country being burdened with comparatively high rates of taxation, in which this effect has not been experienced, or from which there has not been an efflux of people and wealth.

It is, no doubt, true that, an increase of taxation, if not very sudden and oppressive, is most commonly destroyed wholly or in part, by a proportionally increased degree of economy, industry, and invention. But the tendency to reduce profits and wages is still the same. However great the produce of industry, a high rate of taxation necessarily abstracts a large portion of that produce; and though the condition of those engaged in industrious under-

takings in a highly taxed country may not be worse than when it was less heavily taxed, and may even be very materially improved, every one sees that it would be still better were taxation reduced.

The increased ability to bear the burden is forgotten, and attention is exclusively fixed on the burden itself. Its influence, and the inconveniences thence arising, are often exaggerated; but all classes become desirous to escape its pressure or to throw it upon others.

It is also true that, the increased industry and invention, which an increase of taxation encourages, may, for a time, more than neutralise these effects. But those improved processes and more economical methods of carrying on industrious undertakings, so occasioned,—gradually make their way into other countries, where the burdens, falling on the industrious classes, are less heavy; and while they improve the condition of those among whom they are thus introduced, they, of course, enable them to become more formidable antagonists of the more highly taxed producers in the markets common to both. The temptation to convey away capital and skilled labor from highly taxed countries is thus also progressively augmented; so that the fair inference seems to be

that, a heavy rate of taxation, though,—if it have been judiciously imposed, may, for a lengthened period, act as a powerful stimulus to industry and invention, in the country subject to its influence, may, not improbably, in the end occasion its decline and fall.

The discovery of improved processes and new inventions in the arts, changes in the channels of commerce and in the price of money, the overthrow of old and the establishment of new forms of government, the occurrence of wars and a thousand other events, which it is impossible to conjecture, may vastly increase, or proportionally diminish, the power of countries to bear taxes, at the same time that they may add to, or lessen, their magnitude.

But, whatever may be the fate of a country subject to a high rate of taxation, it seems impossible to doubt that, it operates as a clog in her progress; and that, *cæteris paribus*, it is a source of impoverishment and weakness, and always must so work, with more or less perceptible effect, in the course of time.

This may be sufficient to show, not only the expediency, but also the necessity for every government and people, if they would guard against the most tremendous evil, which can befall a country, of adopting every just and

practicable means for lessening the weight of taxation and relieving the pressure on the national resources. It is hopeless to expect that, this will be done by means of reductions in the public expenditure. Much may be, and undoubtedly ought to be done in this way, but it is a vain delusion to look for any sensible and permanent relief to this country by any such means. The only effectual relief from the pressure of taxation in this country must be by making the people better able to bear it, and that can only be by increasing the capital of the country, by relieving trade and manufactures from all restrictions, thereby extending and enlarging industry, and raising the general rate of profits and wages. As a first step to this result, the improvement of the condition of the working classes, by the removal of all taxes from articles of consumption, is essential. In comparison with this any savings, which could be effected by reductions in the public expenditure, sink into insignificance.

Benefits of Direct Taxation.

If the present mixed and complicated system of taxation were at once swept away and replaced by a system of direct taxation, we should be perplexed no more by drawbacks,

allowances, and repayments; and the Government Accounts might then be a simple and plain statement of receipts and payments, open and intelligible to every inquirer. We should then be taxed no more in Customs and Excise, —those costly creations for cruelty and crime, —tormented and persecuted no more by Customs and Excise Officers,—impeded and injured no more by sufferance wharfs and bonded warehouses,—but free to come and go, to buy and sell, when, where, and how we like, without being overhauled, insulted, and cheated by a set of, for the most part, ignorant, low, mercenary and vicious hirelings, made vicious by the vicious system of which they are a necessary part;—in short, we should then be free agents, —free to choose, free to think, free to act, and free to take the consequences,—the inherent right of every rational human being,—the natural prerogative of reason,—the first step to rational improvement, to religious and moral culture and mental refinement,—the safest, and only safe, foundation for true patriotism and loyalty,—for peace and prosperity to every nation of the earth.

Smuggling, that fruitful source of guilt and wretchedness, would then be a word which might be expunged, as useless, from our dictionaries.

Drunkenness, that fatal folly of the lower orders of the human race, fostered by misery and ignorance, would diminish as their comforts and enjoyments, and their intelligence increased.

Trade, expanding with unimpeded growth in the inexhaustibly fertile soil and genial climate of the British Isles, would spread over all the other nations of the world, dropping the beneficent influences on other soils, for the benefit of other people; and under the blessing of the All-directing Power, this Nation and this People might be permitted to be as a bright beacon to lead other nations and people, now wandering in the darkness of ignorance under the yoke of despotism, into the light and along the pleasant paths of peace and plenty, by a free interchange of the special gifts of Providence to each, for the common good of the great and precious universal whole.

We might then pray, with some hope of our prayer being heard:—"Give us peace in our time, O Lord!"

We might then hope to avoid the necessity of employing physical, instead of intellectual or moral agencies, as the only effective means of controlling hostile tendencies, based on ignorance and prejudice.

Origin of Indirect Taxation.

The plan of raising a portion of the national revenue by a tax on the importation of foreign articles of merchandise offers, at first sight, to superficial observers, so many apparent advantages that, delusive as all these are, it is no wonder it should have presented itself at a very early period to the minds of those charged with the duty of providing the pecuniary resources of the State.

The idea of favoring the home producer, the belief, long prevalent, that the duty would, in reality, fall upon the foreigner, the hope that the importing merchant, knowing that, he would ultimately recover it from the consumer, would regard it only in the light of an advance, and would, therefore, not object to pay it; the expectation that, the purchaser, to whom it would come only in the form of an undistinguishable element of the total price, would not detect it, or be inconvenienced by it, and the obvious consideration that, as in the great majority of the articles thus burdened, the purchase was entirely optional, and the payment of the tax, therefore, in a manner voluntary; may all have combined to recommend the adoption of those indirect imposts now known by the name of

Customs duties, and to have encouraged the increase and development of the system till it has reached its present unexampled magnitude.

There is, however, evidence of the existence of these imports anterior to the times in which such considerations as the foregoing can be supposed to have had much influence; and, notwithstanding the weight of Sir Edward Coke's opinion to the contrary, it seems probable that, they were originally of a Common-law character, and that, their name of "Customs," or "Customary" levies, points to their exaction by traditional prerogative. However this may be, their legislative origin cannot be traced back beyond the reign of Edward I., A.D. 1297. In the year 1400 they produced, or, rather, were let for, the trifling sum of £8,000. In the middle of the 17th century, they reached a yearly average of about £500,000. At the accession of George III., they yielded £2,000,000: forty years afterwards, in 1800, the amount levied was about £11,000,000: and in the year 1860–61, this sum had increased to £23,516,821, being an augmentation in the last century of nearly *twelve-fold.*

From the date of our earliest records there has been a progressive tendency towards rendering the tariff lists less and less voluminous.

The principal reductions were made, as is well known, by the celebrated tariffs of 1842 and 1845, the latter of which alone removed upwards of 450 articles from the list of duty-paying goods; but since that year, and under every government, continuous and decided progress has been made in the same direction.

In 1826, the number of articles subject to duty was 1280
„ 1841, „ „ „ 1053
„ 1849, „ „ „ 515
„ 1853, „ „ „ 466
„ 1855, „ „ „ 414
„ 1860, „ „ „ about 60

But in 1826, and so late as 1842, export duties were levied on five principal articles, with nineteen subdivisions, besides an *ad valorem* duty of one-half per cent. chargeable, with a few exceptions, on all other goods exported.

At present, no articles *exported* to foreign countries are subject to duty.

The trade of the country has been further facilitated by the great diminution, which has taken place in the number of articles charged with *ad valorem* rates, while the actual list in 1855 contains not more than forty, exclusive of the "unenumerated" articles, which pay from 5 to 10 per cent. on their value.

The Results of Free Trade Reforms.

The more carefully these results are considered the more clearly it will be seen that, the application of free trade reforms has not only been perfectly successful when tried by the higher and larger tests of their effect upon the trade and general condition of the country, but no less successful as measures of finance.

The plea of the necessities of the revenue is never likely to be disregarded in this country, where all are sensible that, the calls of the Exchequer must be fully provided for. But between a financial policy, which confines itself within the hard and narrow limits of a restrictive system, and a line of procedure formed on a broader but not less carefully considered view, not only for the means of maintaining a sufficiency of revenue in a manner the least burdensome to the country, and the least oppressive to the people, there is a great difference.

Important as were the relaxations, which occurred at the various dates between 1820 and 1840, still the fact remains that, prior to 1842 the Custom and Excise continued almost stationary, notwithstanding the increase of population and the capabilities for larger trade.

Then came the change of policy. The narrow lines of our restrictive system, so rigidly and so long adhered to, were then widened and shortened. The attempt was then made to adjust the mode of raising the taxes with some regard to the industrial classes upon whom they chiefly fell. The result, as already shown, has been as instructive as salutary. Nothing can be more plainly shown than the success, as a mere policy of finance, of the free trade reforms.

We find, for example, in 1853, that, in spite of large and continuous remissions of duties, the gross produce of the Customs and Excise combined, was already £700,000 *more* than in 1840. We see also that, the reductions of duties on articles previously over-taxed, was much more than compensated by an increase of revenue on articles upon which no reduction was made. Upon this ground we can understand (as Mr. Tooke says, in his work 'On Prices'), how it happened that tea and tobacco, in 1853, yielded (even at undiminished high rates) 3½ millions more revenue than in 1840; and that spirits and malt exhibited a similar increase of 2 millions.

The problem, therefore, has become (to use Mr. Tooke's language, with the alteration of

only a few words,) not merely to raise from year to year a sufficient revenue, but to raise it and, at the same time, to relieve the pressure of taxes on those parts of the system where they act as pernicious burdens.

It may be true, (Mr. Tooke says, "it is quite true") that, the magnitude of the debt renders it incumbent upon us to provide, at least, some annual surplus towards its reduction; but, if any result be clear in the financial experience of the last fifteen years, it is this—that the most efficacious sinking fund that can be established is, the release of the industry and skill of the country as rapidly as possible, from the pressure of every fiscal burden, which operates as a positive hindrance and oppression.

But it is quite true, as Mr. Tooke adds, and as here given in his own words:—"Our strength and progress consist far more in augmenting the ability of the country to bear the burden of the debt, than in attempting to diminish its magnitude by retaining taxes, which prevent accessions to our ability; and the more rapidly we arrive at an adjustment of taxation so perfect and equitable that, for all practical purposes it may be regarded (considering its necessary magnitude) as imposing

no oppressive burdens on the development of skill and enterprise, the more rapidly we shall arrive at that point where we may, with most advantage and safety, make the reduction of the debt our first and greatest concern; but, till then, few inferences from experience seem to be plainer than this, namely, that, constantly the line of prudence, as regards a full provision for all our engagements, our first duty and our best policy is, to remove fiscal oppressions and inequalities."

The result of all this experience clearly shows that, every relaxation of restrictive duties has been immediately followed by an expansion and increase of trade, much more than sufficient to compensate for the loss of the abandoned duties; and that, so sensitive is trade to any restraints upon perfect freedom of action, the removal of any impediments, even in the minutest arrangements of official routine, is attended with immediate and sensible effects to the same end,—the extension and enlargement of trade, with all the necessary consequences of increase in the rate of profits and wages, and of employment and comforts to the working classes.

With such experience of relaxing only the rigid rules of the present system, what may

not be expected from the total abolition of all restrictive duties and other impediments to perfect freedom of trade in this country? Even the most sanguine advocate of free trade could hardly have foreseen such vast results in so short a time, from such small beginnings.

It is, therefore, impossible to calculate beforehand what would be the state of trade in a very few years from the date of its perfect freedom and independence. But this is certain, that in the absence of any national calamity from other causes, this country would then be in a state of prosperity and happiness unexampled in any period of its past history, and the example of this nation would then be like a beacon of light to guide other nations of the world into the same track, that all may be as one nation, with one interest, mutually interchanging, for their mutual benefit, the varied and peculiar gifts of climate, soil, and produce, bestowed on each by a bounteous Providence, whose gifts are limited by no measure, and who would have all mankind as one People, looking to one and the same God, the Giver of all, and for the equal good of all.

This is the first step to the establishment of peace on the firm and sure foundation of one common and equal interest. Nations, like in-

dividuals, must learn from experience. They will then learn that, in the establishment of peace they are all equally interested, and then war will be no longer possible. They will see in the freedom of trade, the surest means of their own freedom and worldly welfare, and they will learn to regard the interests of others, for the sake of their own, if for no higher and better motive. By these means savage and barbarous people will be first taught to appreciate the blessings of civilisation, and they in their turn will become promoters of civilisation by the same means. Freedom of trade will be valued and guarded with no less jealous care than the freedom of the Press. To the freedom of the Press we shall owe freedom of trade, and we shall value both equally.

These remarks, very shortly abridged from the 'People's Blue Book,' met with the entire concurrence of Dr. Chalmers, with whom the Author was, many years before, in communication, and as the opinion of such a man as Dr. Chalmers will be received by all parties with respectful consideration, the following is given in his own words:—

"We cannot bid adieu to our argument without making the strenuous avowal that, all our wishes and all our partialities are on the

side of the common people. We should rejoice in a larger secondary and a smaller disposable population; or, which is tantamount to this, in higher wages to the laborers, and lower rents to the landlords. But this cannot be effected, save by the people themselves; and that, not by violence on their part, or by any assertion, however successful, of a political equality with the other orders of the State. There is no way of achieving for them a better economical condition, than by means of a more advantageous proportion between the food of the country and the number of its inhabitants; and no other way of securing the proportion, than by the growth of prudence and principle among themselves. It will be the aggregate effect of a higher taste, a higher intelligence, and, above all a widespread Christianity throughout the mass of the population; and thus the most efficient ministers of that gospel, which opens to them the door of Heaven, will be also the most efficient ministers of their temporal comfort and prosperity upon Earth. Next to the salvation of their souls, one of the fondest aspirations on behalf of the general peasantry is, that they shall be admitted to a larger share of the world's abundance than now falls to their lot. But we feel assured

that, there is no method by which this can be wrested from the hands of the wealthier class. It can only be won from them by the insensible growth of their own virtue."

This opinion will be shared by most readers. It is not desirable, nor is it believed to be desired by many in this country, that anything should be *wrested* from the wealthier classes; but only that, there should be a more equal distribution among all classes, of the abundant gifts of nature, in all that concerns the necessaries and conveniences of civilised life, and that, this should be won by the virtue of the people on the one side, from the just concessions of the wealthier classes on the other side, for the increase of wealth and its only true enjoyment to all.

That this great object can be accomplished only by the wealthier classes taking upon themselves the burden of taxation, for the relief of the poorer classes, thereby bringing the necessaries and healthful conveniences of life within the reach of the poorest, and thereby lifting up the lowest to better hopes and higher self respect, was the opinion of Dr. Chalmers, and this was the unceasing aim of his ministry and labor of love on earth.

It is a truth, which cannot be denied that,

life to the many is made too hard, too wearisome: that, this world's abundance is not fairly distributed,—is not distributed according to the original intention and design.

There is a great and general mistake about the objects and duties of this life. As Dr. Johnson said:—"Life consists not in a series of illustrious actions; the greater part of our time passes in compliance with necessities—in the performance of daily duties—in the removal of small inconveniences—in the procurement of petty pleasures; and we are well or ill at ease as the main stream of life glides smoothly, or is ruffled by small and frequent interruption."

It is an ill part in a Government, which requires the whole of our time to be passed in compliance with necessities—in the performance of daily duties; which increases the small inconveniences and diminishes the petty pleasures, and which prevents the main stream of life from gliding smoothly, by many and not small interruptions.

What Government on the face of the earth is free from this reproach?

Absurdities of Excise, Stamps, and Assessed Taxes.

Injustice is the most proper term to apply

to all our duties of "Excise and Taxes," but some of the smaller of these are so absurdly partial and impolitic, as interfering with particular trades and with the health and enjoyment of the people, besides diminishing the field for their employment, that a special notice may here very properly be made of some of these absurdities and inconsistencies.

The duty on post-horses and on horses kept for private use interferes injudiciously with the breeding of horses, and is, besides, an assessment inquisitorial and annoying in its character. The duty on carriages keeps back the trade of coach-making, and all the numerous arts connected with it. The tax on hackney and stage-carriages is an injudicious tax on the healthful enjoyment and recreation of the middle and working classes. The various Excise duties or Licences, more or less hindrances to trade, are taxes on profits before they are made, and are the more obnoxious from being extremely partial. There is no more reason why a man who sells tea, coffee, tobacco, or snuff, wine or spirits, should pay a licence fee, than a man who sells bread or meat or vegetables. There is no more reason why a man who carries on his back, into remote parts of the country, supplies of goods for the mind, in the

form of books and tracts,—or for the body, in the form of wearing apparel, or ornaments for the person, should pay the hawker's or pedlar's licence fee, than the bookseller or other tradesman in the town who sells the same articles. With more appearance of reason might the hawkers and pedlars be encouraged in their useful vocation. The answer given in Parliament that, the tradesman's shop in the town is taxed, and *therefore* the hawker who sells the same articles without a shop ought to be taxed, is more absurd than the tax itself, for the tax is not on the shop, but on the house, and the hawker may pay the house tax though he carry his shop on his back.

It is not easy to see why bankers should be burdened with a licence duty of £30 a year for liberty to pursue their calling, and merchants should go free. Nor why attornies, special pleaders and conveyancers, in London and ten miles round, should pay, for a certificate to practise, £9 a year, or, if beyond that distance £6 a year, and why barristers should go free; nor why a youth should be taxed with a stamp of £80 on his Articles of Clerkship to an attorney, and a pupil of a barrister should go untaxed; nor why auctioneers should be obliged to take out a yearly licence charged

with a duty of £10 for selling by public auction, what might be sold by private contract without any duty; nor why pawnbrokers residing within London or Westminster, or within, what is still called, the two-penny post range, should be charged with a yearly licence of £15, or, residing elsewhere £7 10*s.*; nor why an appraiser should be charged with a yearly licence of £2; nor why a person going from town to town, or to other men's houses, carrying to sell or exposing to sale any goods, wares, or merchandise, should be charged yearly for a hawker's licence £4; and further, for every beast bearing or drawing a burden with which he shall travel £4; nor why vendors of medicines within the limits of the two-penny post, or within the City of Edinburgh, should be charged with a yearly licence of £2; and in any other city or borough, or in any town corporate, or in the towns of Manchester, Birmingham, or Sheffield, with a yearly licence of 10*s.*, and in any other part of Great Britain with a licence of 5*s.*; nor why every person who lets to hire any hackney carriage within five miles from the General Post Office, in the City of London, should be charged with a yearly licence of £1; and for and in respect of every such licence a weekly duty, for every day in

the week, of 7*s.*, and for every day, except Sunday, 6*s.*; nor why a licence, called *special*, to be married, should be taxed with a stamp of £5, and a licence, not special, to be married, should be taxed with a 10*s.* stamp; nor why marriage should be taxed at all; nor why a licence to hold a perpetual curacy, not proceeding upon a nomination, should be taxed with a stamp of £3 10*s.*; nor why a licence for the non-residence of a clergyman on his living in England should be taxed with a stamp of £1; nor why any other ecclesiastical licence in England or Scotland should be taxed with a stamp of £2.

All these strangely inconsistent anomalies are unequal and unjust. But the injustice of many of these is accompanied with the grossest absurdity, as for instance; in the case of auctioneers, when it is considered that, some of the auctioneers in towns are making large incomes by their callings, while others in remote parts of the country are hardly making enough to pay the duty. The same remark applies to the business carried on by a first-rate banking-house in the metropolis, and by a banker in a small country town. It is obviously impossible to assess such duties in any given proportion to the incomes of the contributors, and being

fixed on a few callings only, without any regard to the means or ability of the parties to bear them, they are all manifestly partial and unjust.

With respect to the Stamp duties generally, and especially the stamp duties on Probates, Legacies and Successions, there are such remarkable instances of unjust and oppressive taxation that, the wonder is they were ever suffered to be imposed, and still greater wonder that, they have been suffered to remain so long.

With respect to the duty of Successions, now fixed on the whole landed property of the kingdom, this is one of the most marvellous instances of confiscation, under the name of taxation, ever permitted in this country.

It is impossible to suppose that, the landowners were aware of the operation of this most scandalous law when they allowed it to pass. It is the nearest approach to confiscation, ever made in this country by constitutional authority, being the legalised seisure of capital, so contrived that, in the course of time it must operate to confiscate a large portion of the unentailed landed property of the country.

If this law remain for half a century, its operation must be to make a very large portion

of the land of this country change hands. When this law is felt in its full effect, it will be found to change the ownership of many of the oldest family estates in the kingdom; and if by the conservative power of entails many of these estates be still preserved in the old ancestral line, some of the possessors will find themselves with incomes so reduced as to be quite unequal to their apparent position as lords of the soil, and quite inadequate to maintain what are now considered to be the necessary honors and hospitalities of the ancient house.

No law that ever passed was so fatal to the wealth and power of the Landed Aristocracy of Great Britain, as the law, which imposed the succession duty on landed estates. By a slow but sure process, this addition to the inevitable burdens upon land will work the downfall of a large portion of the present families, which constitute the landed aristocracy of the kingdom. Estates will change hands, and time-honored names will be obliterated from rent-rolls and be remembered no more. These will be absorbed by the great capitals accumulated in trade. The merchant-princes will be the lords of the land, and many of the present landlords or their generations will become the

laborers; until the same process, in the course of time, works back the same results. But, in the meantime, the sources of national prosperity are impaired. Land will have depreciated in price and trade will have diminished in proportion; for the capital of the country will have diminished in greater proportion. Trade must ever be, in a great measure, dependent for prosperity on the prosperity of the land, which is and ever must be the basis of the nation's wealth. As land deteriorates in price, so must capital and trade diminish in quantity, and if the price of land be not reduced, the produce of the land will be less. A flourishing state of trade, and a depressed state of agriculture, is a state of things never known, and never can occur in this country. It may be taken as an axiom in political economy that, the interests of land and trade are identical and inseparable:—that, taxation injurious to one is injurious to both:—*therefore*, it is the interest of both that land should not be over-burdened with taxation. The equilibrium has been more seriously disturbed by the imposition of the succession duty upon land, than by any former act of the legislature, and such a false step in legislation once taken is not easily retraced. The only way left is, to sweep away at once

the old and injurious system, and with it all recent appendages. The argument against the succession duty loses its force, if the tax on personal property, under like circumstances, be maintained. The justification of one injustice by the perpetration of another, is an argument that prevails. The Probate and Legacy duties, imposed many years ago on personal property, were unjust and impolitic measures, but, to preserve the equilibrium, the same injustice was extended to land, and the argument for that was irresistible, if the former injustice must be maintained, but the impolicy of both remained the same.

Hear what the most eminent Lawyer of these times says of this fatal measure to the fair fields of England.

The following are the words of Lord St. Leonards in his "Handy Book"—

"I must conclude by reminding you of the Succession Duty Act (16 and 17 Vict. c. 51), which has deprived property of half its charms; it is as if a blight had fallen on the fair fields of England.

"Every man has the right to keep his parchments—his sheep-skins—in his own box, in his own house: on one has a right to pry into the contents of his settlements. Now, every

man's settlement must be open to the tax-office, and to the Government of the day, ever on the watch for a new succession, in order to levy a new duty. If, for example, a stipend is provided for an old servant, who dies, as even annuitants sometimes must, that creates a succession, and the person entitled to the property has to pay duty for his new enjoyment. You cannot, when liable to duty, cut trees on your estate beyond the value of £10 a year, without giving notice to the tax-officer, and paying duty. Mr. Pitt in the plenitude of his power, was foiled in his attempt to introduce a much milder impost on Successions than is fixed upon them by the law to which I have referred you. The net is large and wide-spread, and the tax, from its nature, is the most vexatious burden ever laid upon property in England."

This was a rash and weak experiment in legislation, proceeding on the false and foolish notion of compensating one wrong by the commission of another and greater of the same kind. Instead of the Succession Duty acting as an equilibrium to the Probate and Legacy Duties,—instead of preserving the balance between Real and Personal Property,—the direct operation is to impose an additional and heavier

duty on both. We can never compensate wrong by wrong, and wrong can never become right, though, by a power beyond human agency, good prevails over evil; not through the evil, but in spite of it; as in the instance of the Succession Duty, which, will, sooner or later, be swept away with the Probate and Legacy Duty, and all such unjust and impolitic taxes.

In the competition between good and evil in the affairs of this world, it is the first duty of a Christian Legislature to act on the principle of equal justice, and not to seek by *compensation* to make injustice less intolerable. Every such attempt must fail, because it can only aggravate the original wrong, by making it greater and more permanent.

Especially applicable is this moral truth to the political interests of this great commercial country. "We are," as Mr. Tooke remarks,—"Competitors in a race in which the smallest inequalities of pressure may give an advantage or a victory to rivals who, with greater skill, or greater prudence, have provided for a more unfettered command of their natural aptitude for the contest." And, as he wisely adds:—"No Free Trade Financier will imperil the public credit by rash and weak experiments;

but, while he regards caution as his first duty, he will also regard improvement as his first maxim."

In imposing taxes, he will be the most skilful financier who can imagine himself in the position of the person liable to pay any particular tax. "

It is impossible to suppose that many of these profitless and vexatious imposts would ever have been laid upon the people of this country, if Statesmen had by experience, or even by imagination, attained an adequate notion of the personal inconvenience, as a necessary consequence. And what is public good, but an aggregation of personal convenience?

The greatest happiness of the greatest number, can never be incompatible with the welfare of any nation.

General Review.

In reviewing the taxation of this country, it is impossible to come to any other conclusion than that, it has grown up with the country, and has been imposed from time to time, under pressing emergencies, without any system, by selfish and interested classes, who consulted

only what they believed to be their own interests, regardless of consequences to others.

Thus was imposed the great burden of taxation on corn and wine and all other intermediate necessaries and comforts of life, under the notion that, the taxes, so disguised, would be spread over the great mass of the people, who would know little or nothing about it, and who, in fact, had little or nothing to do with the making of the laws. Nor is this any fanciful imputation. Mr. M'Culloch describes a tax "to be *direct* when it is immediately taken from property or labor; and *indirect* when it is taken from them by making their owners pay for liberty to use certain articles, or to exercise certain privileges." Assuming this definition, mark his reasons for his preference. He says:—

"Indirect taxes have, with few exceptions, been the greatest favorites both of princes and subjects, and there are very sufficient reasons for the preference of which they have so generally been the objects. The burden of direct taxation is palpable and obvious. It admits of no disguise or concealment, but makes every one fully sensible of the exact amount of his income taken by the Government. We are all, however, extremely averse from parting

with property, except we obtain some more acceptable equivalent in its stead. And the benefits derived from the institution of government, though of the highest importance, being neither so very obvious nor striking as to be readily felt and appreciated by the bulk of the people, there is, in the great majority of cases, a strong disinclination to the payment of direct taxes.

"*For this reason*, Governments have generally had recourse to those that are *indirect*. Instead of exciting the prejudices of their subjects by openly demanding a portion of their incomes, they have taxed the articles on which these incomes are usually expended. *This ingenious plan conceals the amount of taxation and makes its payment appear in some measure voluntary.*

The tax being generally paid, in the first instance, by the producers, *the purchasers confound it with the actual price of the commodity.* No separate demand being made upon them for the tax, *it escapes their* recollection, and the article, which they receive, seems the fair equivalent of the sacrifice made in acquiring it. Such taxes have also the advantage of being paid by degrees, in small portions, and at the time when the commodities are wanted for con-

sumption, or when it is most convenient for the consumer to pay for them."

Any more conclusive argument than this against *indirect* taxation it is impossible to imagine. This is very like the reasoning of a set of thieves or swindlers. And the meaning of it all is that, the Government intentionally deceives the people, who being ignorant and confused are unconscious that they are swindled, the fact of the tax "escapes their recollection," so they are deceived and defrauded without knowing it. The question, whether or not this deception be for the benefit of the people, remains the same, whether they be deceived or not. If this "ingenious plan" be really for their benefit, by lightening the burden or otherwise, nothing can be said against it; but if, on the contrary, the burden be greatly increased and the evil greatly aggravated, by placing the greater part of the burden on the wrong shoulders, then this "ingenious plan" is a most disgraceful fraud.

Such was the origin of this "ingenious plan" of *indirect* taxation, with all its extravagant accompaniments of Excise and Customs Officers, Preventive service, and legions of officials, and all the shocking consequences. Until the reign of Charles the First, no considerable attempt

had been made to substitute indirect for direct taxation; and that attempt, when made, gave rise to much political agitation.

That unfortunate King's object was to obtain more money, but to obtain it by this means was held by many, at that time, to be nothing less than swindling.

It is much to be regretted, when a person of admitted ability and great industry lends himself to the Government for the support of views, which no one can believe he seriously entertains; and if he should be influenced by the emoluments of a place under the Government, the fewer places at the disposal of the Government the better, and very few would be at their disposal if all *indirect* taxes were at once swept away.

When the chief argument in favor of any measure rests on concealment, that alone affords a strong ground for suspicion that, something unfavorable to a fair conclusion is concealed. The pretended "advantage of being paid by degrees, in small portions," is very like a recommendation of slow poison, because it may be administered "by degrees, in small portions."

What, if our revenue laws do depress and diminish the trade and manufactures of the

country,—do deprive the laborer of the fair reward of his labor,—do sink all the laboring-classes more or less in poverty, and often in guilt and wretchedness,—what, then, is this "ingenious plan of concealment," but a disgraceful trick and shameful fraud upon the People?

Not on such ground as this, however ingenious the plan, can it be much longer maintained. When education has opened the eyes of the working-classes,—when they see the large undue proportion of the whole taxation, which they are paying out of their wages of labor, and the large amount of unnecessary suffering thereby inflicted upon them, they will no longer consent to this treatment, and then the Government will find that, the most ingenious plan, which human ingenuity can devise is,—to consult the real welfare of the people.

What folly for a man to do that now, which he must certainly undo again by repentance, or be undone for ever!

What folly for a Government to do that now, which some other Government must certainly undo, or the country must be undone for ever!

The first step to show the people their true position is, the simplification of the Public Accounts, that the people may understand them.

Instead of mystifying to confuse and deceive, it is the duty as well as the policy of every Government to simplify, for the purpose of making everything clear and intelligible to all.

Against the authority of Mr. M'Culloch, for mystification and deception, the following opinion of the late Sir Robert Peel may be quoted for those who are disposed to look back to his opinion as an authority on this subject.

In his speech, on moving the appointment of a Finance Committee, 15th February, 1828, he said:—"There is one point on which I have always had a strong feeling. I allude to the advantage and necessity of a simplification of the Public Accounts. No man is more desirous than I am to see the public accounts presented in the simplest possible form. I see no reason why we should not in this respect follow the example set us by France and the United States of America. I am quite certain that, we should do well to profit by such examples, and I can see no disadvantage attending it."

And again:—"I am convinced that, nothing can be more fruitless or impolitic than to introduce anything like mystification or suppression into a view of the public finances of the empire. These matters are, I take it, much more simple than they appear to be on the face of ordinary

official statements of them. There is, in fact, not the slightest difference between the calculations formed upon many millions, and upon a few pounds, or between the expenditure of a humble individual, and that of a rich and powerful country. They depend upon the same principles, and must be governed by the same laws, and one might as well contend that the rules of arithmetic applying to the sums with which we ordinarily deal in the course of domestic occurrences—that those rules do not apply to the division or sub-division of many millions of money, as to suppose that, the finances of a country, however great or important they may be, must not, after all, rest on the same principles and be governed by the same rule as the finances of an individual."

It is true that, the speeches in Parliament of the late Sir Robert Peel may be referred to in support of almost any view of almost any question of State policy, which ever came before him as a Statesman, and that his imperfect perception or acknowledgment of any fixed principle renders him but an uncertain authority on any great question of State policy. This is true, though this will be more apparent when a greater distance of time shall have intervened. In the meantime, the late Sir Robert Peel may

be assumed to be as good an authority, at least, as the late Mr. McCulloch, on the subject of taxation; and to those who think so, the following opinion, expressed by Sir Robert Peel, in his place in the House of Commons, in his speech on the Income Tax, on the 23rd March, 1842, may be worthy of notice. Speaking of all taxes, direct or indirect, as bearing more or less unequally on those who pay them, he said:—

"All indirect taxation has a natural tendency to produce injustice, and I have ever thought that, the chief argument relied on in opposition to the taxation of articles of consumption was that, if beer or any such article were exposed to it, *the tax always operated unjustly.*"

And, in a former debate on taxation, on the 30th April, 1833, he said:—"Indirect taxation may be carried too far. It has limits beyond which it gives rise to smuggling, and defeats the object in view."

In this view he seems to have been strengthened by experience, for, in making his financial statement to the House of Commons, on the 11th March, 1842, he spoke as follows:—"If, then, it be necessary for me to have fresh taxation, shall I lay it upon articles of subsistence—upon those articles, which may appear to

some superfluities, but which are now become almost the necessaries of life? I cannot consent to increase the taxation upon articles of subsistence consumed by the great body of the laboring portion of the community. I do think that, you have had conclusive proof that, you have arrived at the limits of profitable taxation on articles of subsistence. I advise you not to increase taxation in this respect, for, if you do, most assuredly you will be defeated in your object."

If, then, this be a true and safe view, why should not the Government cordially co-operate with the People for that which most concerns the common interests of all, for the establishment of the wisest and best system of taxation, which human ingenuity can devise, not by stealthy and indirect, but by open and direct means? And what is there, in the plan here proposed, that any party or class can fairly complain of?

Here is no change proposed to the injury of any party,—no interference with vested rights,—no partial legislation for class interests,—and no innovation on the principles of the British Constitution; but simply a return to a law 180 years old, (then only an ancient law restored) —passed in the reign of one of the great-

est and wisest of our Kings, who, though a foreigner, was the most patriotic Sovereign who ever guided the destinies of this nation, and to whom we are mainly indebted, under Providence, for all the most precious privileges which, as a Protestant People, we now possess.

What is there to fear in the change here proposed?

The land is the foundation, on the security of which the safety and prosperity of all property depends. As such, it is respected and preserved. All its just rights and privileges are respected in the equal protection to all descriptions of property, by distributing the State Taxes equally over all realised property. One and the same tax, and one only, is proposed to be levied on all realised property, within the defined description, and this, being a direct tax easily levied and collected at a comparatively trifling cost, will pass directly from the pockets of the people into the Exchequer of the State, undiminished by hosts of revenue officers and those inseparable consequences, fraud and negligence.

The land would then bear only a just proportion of the State taxation, and that would be much less than the land bears now.

The produce of one equal per centage Pro-

perty tax, and one small proportionate Personal tax, with the revenue from the Crown Lands, would then constitute the whole Income of the Nation.

The expenditure of this Income by the Government, now theoretically, but not practically under the control of the People, would then be both theoretically and practically under their control; or, if not, it would then be their own fault.

It is in vain for the People to talk of Administrative Reform, until they have obtained this control, and the first step to this is, a full and correct understanding of the actual state of the Public Accounts. This can be obtained only by Accounts of Receipts and Payments in an intelligible form, duly vouched and audited.

This is only common prudence in the conduct of every private family, and, as Adam Smith said:—"What is common prudence in the conduct of every private family, can scarce be folly in that of a great Kingdom." An exact knowledge of the revenue and expenditure of the Nation cannot be less desirable to an honest and well-meaning Government, than to the People; and the greater the revenue and expenditure, the more important is this knowledge for guarding against unnecessary expenses.

As shrewdly remarked by Archbishop Whately, it is a curious circumstance and the reverse of what many would expect that, the expenses called for by a real or *imagined* necessity of those who have large incomes are greater in proportion, than those of persons with slender means; and, consequently, a larger proportion of what are called the rich are in embarrassed circumstances, than the poorer. This is often overlooked, because the *absolute number* of those with large incomes is so much less that, of course, the absolute number of persons under pecuniary difficulties, in the poorer classes, must form a very great majority.

But if you look to the proportions it is quite the reverse. Take the number of persons of each amount of income, divided into classes, from £100 per annum up to £100,000 per annum, and you will find the per centage of those who are under pecuniary difficulties *continually augmenting* as you go upwards. And when you come to Sovereign States, whose revenues are reckoned by millions, you will hardly find *one* that is not deeply involved in debt! So that it would appear that, the larger the income, the harder it is to live within it.

When men of great revenues live in splendour and sensuality, they are apt to plead that,

this is *expected* of them, which may be, perhaps, sometimes true, in the sense that, such conduct is anticipated as *probable;* not true as implying that, it is required or approved. A person may fairly expect that another who has received kindnesses from him, should protect him in distress; yet he may have reason to expect that, he will not. "England expects every man to do his duty;" but it would be chimerical to expect a universal performance of duty.

What may be reasonably expected (in one sense of the word) must be precisely the practice of the majority; since it is the majority of instances that constitutes *probability.* What may be reasonably expected (in the other sense) is something much beyond the practice of the generality; as long, at least, as it shall be true that, "Narrow is the way that leadeth to life, and few there be that find it."

What, then, may be expected from Government it is needless to say; but, as sure as the majority of instances constitutes probability, so surely may the people expect that, if they do not themselves understand and look after their own interests, they will be mismanaged, and the expenditure of public monies will not be always regulated by a due regard to public interest.

The argument of Coleridge and others, often

used, as to the produce of those taxes the expenditure of which is amongst our own fellow-subjects, may and does mislead not a few. Powder and guns and ships of war cost a great deal, but this cost is a gain to the manufacturers of powder, guns, &c. And thus, some people bring themselves to fancy that, the country altogether does not sustain any loss at all. Of course, if a heavy expenditure be incurred in armaments, when necessary for the defence of our just rights, this is not to be accounted a waste, any more than the cost of bolts and locks to keep out thieves. But the argument, as often used, does not at all look to any such necessity, but would equally hold good if the money had been expended in gunpowder to be expended in fire-works, or in paying soldiers for amusing us with sham-fights. For, in that case, also, the expenditure would have gone to *our own* people equally.

The fallacy consists in not perceiving that, though the labor of the gun-powder makers, soldiers, &c., is not unproductive to *them*, inasmuch as they are paid for it, it is unproductive to *us*, as it leaves no valuable results. If gunpowder be employed in blasting rocks, so as to open a rich vein of ore or coal, or to make a useful road, the manufacturer gets his payment for

it just the same as if it had been made into fireworks; but, then, the mine or the road will remain as an article of wealth to him who has so employed it. After having paid for the powder, he will be still richer than he was before; whereas, if he had employed it for fireworks, he would have been so much the poorer, since it would have left no results.

When, however, war expenditure does result in the conquest of some territory, and this territory brings in some tribute or other profit, beyond the cost of conquering it and keeping it in subjection,—which is not often the case,—then, it must be admitted,—waiving all considerations of justice and humanity,—that something has been gained. But the revenue thus wrested from a subjugated country, must evidently impoverish the one party, as much, at least, as it enriches the other.

On the other hand, the revenue, derived from other lands by commerce, enriches *both* parties; since the exchange of a cargo of hardware, for instance, for a cargo of silks, implies that, the one who parts with the silk for the hardware, finds the latter the *more* valuable to him, and *vice versâ*. And thus, both *advance* in prosperity.

As Archbishop Whately observes:—"Though

we are not to believe that regular *temporal* rewards and punishments are dispensed under the moral government of God to nations, yet, the general rule, by which temperance and integrity and industry tend, in private life, to promote each man's health and reputation and prosperity, is applicable to nations also. Unprincipled aggression will, usually, provoke, sooner or later, a formidable retaliation; and, on the other hand, moderation and good faith have manifestly a general tendency to promote peace and internal prosperity."

The moral rule to be drawn from these remarks is that, it is one of the first duties of every people to look to their ways and mind their own affairs.

Now, the first step to minding one's own affairs is, to understand them; and this should be the first object of a free and intelligent people. By far the greatest part of the evils in this and every other country, may be traced to bad legislation; a cause which never could have existed, or, at least, never would have been permitted to continue, if the people had better understood their own affairs. It is impossible to suppose that, the sacrifice of vast wealth on the part of a whole people, for the gain—and that, comparatively, a trifling gain—

of a handful of monopolists, would have been submitted to patiently, so often and so long as it has been, as a necessary effect of the system pursued, if that system had been better understood in its effects. But the fact is, the gain has been *concentrated*, and the loss diffused. This would not have occurred so often as it has, were it not that this diffusion of the loss causes its existence,—that is, its existence as a loss so increased,—to be unperceived.

If thirty millions of persons are each virtually taxed half-a-crown a year in the increased price of some article, through the prohibition of free trade, perhaps not above a shilling of this goes to those who profit by the monopoly. But this thirty millions of shillings, amounting to £1,500,000 per annum, is divided, perhaps, among a few hundred persons, who clearly *perceive* whence their revenue is derived; and who, when such an income is at stake, will combine together, and use every effort and artifice to keep up the monopoly. The losers, on the other hand, the people, not only have, each, much less at stake, but are, usually, ignorant that they do lose by this monopoly, else they would not readily submit to pay half-a-crown, or even one shilling, as a direct *pension* to a few hundred men who had no claim on them.

Such was the effect, but in a much more aggravated degree, of our system of Corn-Laws, and other prohibitory or restrictive laws on articles of food or other daily necessaries; some of the worst of which are now repealed, but too many of which still remain.

Of these, the Customs and Excise Laws and a multitude of other cases come under the general formula before stated; the tendency to over-rate the amount of whatever is seen and known, as compared with what is unknown, or less known, unseen and indefinite.

It is inconceivable, if the people understood this, that they would so patiently submit to it. The people feel sorely, but do not see the heavy burden which they are bearing. This is the effect of the "*indirect* taxes, which have been the greatest favorites both of princes and subjects;" and, "for this reason, governments have generally had recourse to those that are *indirect*," because "this ingenious plan conceals the amount of taxation, and makes it appear in some measure voluntary"!

Governments must, indeed, have been at their wits' end when they resorted to taxes on the necessaries of life, in food and clothing,—on knowledge, in paper (now happily abolished), and on discoveries for the benefit of mankind,

in Patents for inventions,—when they stooped to pick the pockets of pedlars and pawnbrokers, attornies and auctioneers, special pleaders and appraisers, conveyancers and cabdrivers, bankers and bagsmen, and some other helpless victims, of a few pounds a year in the form of fees for licences to trade and to practise their callings! That these miserable shifty contrivances should ever have been resorted to is strange, but that these should be continued in the days of intellectual advancement is marvellous, and not a little discreditable to the present state of national intelligence.

By the plan proposed all these great and small impediments to progress would be at once swept away, and the whole revenue of the State would be drawn directly from the simple source of all national wealth, and in a manner open and intelligible to all classes.

Suppose this system of taxation with free trade in full operation. What, then, may we fairly expect, would be the wealth of Great Britain, the undisputed market of the world? What, then, would be the prosperity of the People, and the greatness of the nation?

It is for the People to answer these questions and accomplish these objects for themselves. All that is needful is, "steadfastness within,

and an immoveable resolve;"—a united will, with united action. This has been the secret of success with all the mighty hunters of mankind, from Nimrod to Napoleon; and, if often applied with success to the objects of personal ambition, it is, surely, not the less applicable when the objects are, the wealth of the Nation and the welfare of the People.

In reviewing the evidence, here brought together, of the results of our present advance to free trade, the following appear to be just conclusions:—

1. That every step towards Free Trade has been immediately followed by a large increase of revenue to the State, and rise in the rate of profits and wages, with corresponding increase of employment and comforts to all the working classes.

2. That to the removal of impediments is to be attributed the great and rapid growth of the foreign trade, and the present flourishing condition of the agriculture of the country.

3. That, but for the relief thus afforded, the burden of taxation, aggravated by the evils of Customs and Excise Duties, which diminish the real value of wages, by rendering a large class of imported articles, more or less necessaries of daily life, scarce and dear, and still

further aggravated by complicated and vexatious laws, which kept back industry and capital from profitable employment, must have reduced Trade and Agriculture, and, consequently, all classes of people in this country, to a state of unexampled depression and misery.

4. That, in a country like Great Britain, of circumscribed area, with a manufacturing population and large external trade, political liberty alone is not sufficient to preserve society from danger of retrogression; but that, quite as vital to the general interests is a perfect freedom of trade and industry, and an equal adjustment of taxation.

5. That, all experience has proved that, by repealing Customs and Excise duties, and so framing legislation as to make available the immense resources at command, and to bring within reach of the great body of the population, not only the necessaries of daily life, but also other articles of comparative luxury and comfort, by reducing these to the lowest market price, the revenue will be placed upon a more firm and safe basis, and the number and amount of the taxes may be greatly diminished.

6. That, all experience has proved that, extension of markets, and a vast increase of

demand, take place concurrently with a gradual diminution in the cost of imported commodities, with a range of prices so free from extreme and artificial fluctuations as to tend rapidly to a level, interrupted only by such variations as arise wholly from mercantile or natural causes.

7. That, the events, which have taken place since 1845, justify the confident expectation that, the adoption of Free Trade by foreign countries is simply a question of time, the fact being that, every year, which is suffered by foreign countries to elapse, before they adopt the same commercial level as Great Britain, will be so many years of a balance of trade in favor of this country.

8. That, the principle is invariably true and safe to be relied on, that every reduction of duties, which admits a larger quantity of the produce of foreign countries, must, at least, be paid for by commodities, which it is profitable to this country to export, whatever may be the degree of folly or wisdom displayed in the tariffs of the foreign countries to which they are sent.

It is, therefore, certain that, the country with low duties obtains the benefit of a larger trade, and it is equally certain that, hostile

high duties injure chiefly the revenue and subjects of the State, which imposes them. It follows, as a necessary consequence that, the country, which imposes no duties gains the benefit of a still larger trade.

These principles were comprised in that celebrated Petition from the merchants of London, prepared by Mr. Thomas Tooke, and presented by Mr. Alexander Baring, afterwards Lord Ashburton, on the 8th May, 1820, to the House of Commons.

In that Petition it was stated:—

"That, the prevailing prejudices in favor of the protective or restrictive system may be traced to the erroneous supposition that, every importation of foreign commodities occasions a diminution or discouragement to our own productions to the same extent; whereas, it may be clearly shown that, although the particular description of production, which could not stand against unrestrained foreign competition, would be discouraged, yet, as no importation could be continued for any length of time without a corresponding exportation direct or indirect, there would be an encouragement, for the purpose of that exportation, of some other production, to which our situation might be better suited; thus affording, at least, an equal,

and probably, a greater, and, certainly, a more beneficial employment to our own capital and labor.

"That, of the numerous protective and prohibitory duties of our commercial code, it may be proved that, while all operate as a very heavy tax on the community at large, very few are of any ultimate benefit to the classes in whose favor they were originally instituted, and none to the extent of the loss occasioned by them to other classes."

And, with regard to the Customs Duties, the Petitioners made the following important admission:—

"As long as the necessity for the present amount of revenue subsists, your Petitioners cannot expect so important a branch of it as the Customs to be given up, nor to be materially diminished, *unless* some substitute, less objectionable, be suggested."

If the time and state of public opinion be considered, when this remarkable document was produced,—now more than forty years ago,—the close and accurate reasoning, and the forcible expression of the whole will be the more striking; and this Petition will certainly be recorded in history as the foundation stone on which Free Trade has been established, and

on it will be found inscribed, in imperishable letters, the honored name of THOMAS TOOKE.

In the book from which these abridged extracts are taken, all the principal objections to the proposed scheme are very fully stated and answered. But to introduce these objections and answers here would lead too far away from the present object, and the proposed New Scheme of Taxation, therefore, is left in the abridged form here given, to speak for itself. Those who are capable of considering it in all its bearings will see that, there is no foundation for the objection that; "To impose the chief burden of taxation on Land, Houses, and other *realised* property, is to tax wealth, or, to confiscate the property of the wealthy."

It was a wise maxim of Lord Bacon to "make a stand upon the *ancient* way, and look about to discover what is the best way;" or, in the language of Scripture: "Stand ye in the ways, and see, and ask for the old paths, where is the good way, and walk therein;" neither changing at once anything that is established, merely because of some evils actually existing, without considering whether we can substitute something that is on the whole better, nor again, steadily rejecting every plan or system that can be proposed, till one can be found that is open to no objection at all.

PART III.

THE IRISH CHURCH QUESTION.

THE IRISH CHURCH QUESTION.

As long as Ireland continues united to England, I object to consider Ireland separately from England, as a subject for exceptional legislation.

I cannot admit that, the long continuance of distress in Ireland is a good cause for introducing into Ireland a principle of legislation different from that in any other part of the United Kingdom.

I hold it to be practically impossible to maintain laws, for any considerable length of time, in one part of the kingdom, materially differing from the laws in another part of the kingdom, without producing discontent, and endangering revolution.

This has been tried in Ireland, and has brought discontent to the verge of revolution.

No Government on the face of the earth has ever governed on the principle of equal justice, nor ever approximated to that principle, until forced by fear of the consequences of misgovernment.

In Ireland the monstrous mockery of justice, which prevailed for centuries, has long been abandoned, and the laws are now as fairly administered in Ireland as in any other part of the United Kingdom.

The distress in Ireland, therefore, whatever the cause, cannot be attributed to the law, any more in Ireland than in England.

Therefore, to seek the remedy for distress in Ireland in any special and exceptional legislation would be only giving cause for discontent and revolution in other parts of the kingdom.

If the Irish, with their Roman Catholic Priests, had been located in Scotland, and the Scotch, with their Presbyterian Preachers had been located in Ireland, Scotland would now be in a much worse state than Ireland, and Ireland would be the most thriving part of the kingdom.

No greater mistake can be made than to attempt to adapt different laws to different races in the same kingdom. Such an attempt must disintegrate any kingdom composed of different races, influenced by different religions.

In such cases there is only one safe way of proceeding, and that is, to frame the laws on the principles of equal justice to all races and all religions.

The principles of the Christian religion are applicable to religions of all denominations..

This is not only consistent with the Christian principle, but is the test of the true spirit of Christianity.

Therefore, that country is best governed where the laws are framed and administered in the Christian spirit.

In this way only can any connection really exist between the Church and the State. No Act of Parliament can make that connection, and if the laws be inconsistent with the Christian spirit, that is evidence that, no such connection really exists.

If the Christian principle be the rule of the State, *ipso facto* the Church and the State are united.

In no part of the world is there a complete union between the Church and the State; but where the spirit of the Christian Church is acknowledged as the basis of the Constitution, there is, at least, an acknowledgment or testimony in favor of the union of Church and State.

For upwards of three centuries that union has been acknowledged by the British Nation as part and parcel of the British Constitution.

The dissolution of the union between Church and State in Ireland must, therefore, be the

dissolution of the union between England and Ireland, and, sooner or later, Roman Catholic Ireland, as it cannot stand alone, must be united to a Roman Catholic State.

This is no prophetic foresight, but a conclusion drawn from the experience of history.

The Church of the majority governs the State.

Surrender the security of the Christian Church, and, sooner or later, the State ceases to be under the rule of a Christian Government.

In no part of the world, where the Roman Catholic Church has been the Church of the State, has that State ever been governed on Christian principles.

The principle and practice of the Roman Catholic Church have always been and always must be,—'persecution for conscience' sake,'—which is the very opposite of the Christian principle and practice.

In those Roman Catholic countries where that principle is not carried out in practice, the Roman Catholic Church exists only in name. Of this France and Spain are a sufficient illustration. The spirit of the Roman Catholic Church was extinguished in France in the Great Revolution, and France, as a country, is

still nominally Roman Catholic, but, as a State, is without a Church, and indifferent to all Churches.

It is otherwise in Spain. There the Roman Catholic spirit prevails, and by that spirit the State rules. How far that rule is from the Christian spirit is told in the terrible history of that misgoverned, degraded, and afflicted Nation.

The spirit of the Roman Catholic Church is so essentially opposed to the spirit of the Protestant Church that, they can never unite together in the same State.

The Protestant Church professes to extend the Christian principle of Civil and Religious liberty to every religious denomination without distinction. But the Roman Catholic Church professes and practises the very contrary, in every part of the world where popery prevails.

The tenets and teachings of the Roman Catholic Church are immutable, and so essentially opposed to the doctrines of the Christian Church that, no Christian Government can exist under the dominion of the Anti-Christian spirit of the Roman Church.

Where the Church of the State is established by law, it must be the first duty of the State to make provision for the support of that

Church and the maintenance of its ministers, leaving all other religious denominations to manage the affairs of their own Churches in their own way.

This is consistent with the Christian principle, and then the disproportion, however great, between religious denominations in the kingdom or in any part of it, is, politically, most immaterial.

Any disproportion between the Roman Catholics and Protestants in Ireland, can be no reason for separating the Church in Ireland from the Church in England, as long as Ireland is united to England as part of the same kingdom.

In this view, the amount of property in the Irish Church must be a most immaterial question.

The amount of that property seems to be not yet accurately ascertained; but, whether more or less than sufficient for the wants of the Church in Ireland, on no principle can any part of that property be taken away from the Protestant Church and given to the Roman Catholic Church.

That property is a vested right in the Protestant Church, not by the fact of undisputed possession for more than three centuries, but

by the fact that, it was vested in the Church by the State, and that, the Church and State were then declared to be one and indivisible, and that, the head of the State was then declared to be the temporal head of the Church, and as such pledged by the most solemn oath before God and the country to preserve and maintain that Church, with all its property, privileges, pre-eminence and power, as part and parcel of the State.

That oath has ever since been taken by every Sovereign ascending the throne of this kingdom, to confirm the constitution, on which the throne of this kingdom rests.

Once only has that oath been broken, and on that occasion the perjured king was driven from his throne and kingdom, to be resumed no more by him or any of his race for ever. The Oath then broken was held to absolve all subjects of the realm from their allegiance.

It is idle to question the power of Parliament to undo what it has done. But it is wise to pause before exercising a power by which the kingdom may be undone.

Before the commission of an act so irreparable, involving questions so serious and consequences so alarming, it is only common prudence to consider, whether the object de-

sired may not be attained by means less hazardous.

If the object be the good of Ireland, that must imply the equal good of England, and if the experiment to be tried is, the alteration of the constitution for the benefit of Ireland, the same experiment will soon afterwards be repeated for the benefit of England.

It may, therefore, be well to consider whether, a less hazardous experiment can not be tried for the benefit of the whole kingdom at once.

Taking the Christian principle for the rule of government, the Church in Ireland cannot be justified or maintained under the present system. But, with a few modifications, the Church in Ireland can be maintained in perfect accord with the Christian principle and the spirit of the constitution.

For this purpose it will only be necessary to confine the payment of the Rent-charge in lieu of Tithes to members of the Established Church, and to make such payment and all other dues to the Church compulsory by law, against the members of that Church only.

Under such a law, a refusal to pay should be held equivalent to a public declaration of secession from the Church, and should be made public accordingly. In this way, all parties

would settle Church questions for themselves, and none would have any right to complain. But, in this way, the Established Church would be maintained in Ireland and in England, and all Church questions would be set at rest.

The distribution of the property of the Established Church, for the benefit of that Church, is properly within the power of Parliament, and any surplus property of the Church in Ireland may properly be applied for the benefit of the Church in England. After fully providing for the Established Church throughout the kingdom, any surplus belongs to the State, and may very properly be applied to the secular education of the People, of all religious denominations, without distinction. But that should not be considered surplus until ample provision has been made for every minister of the Established Church in the kingdom, and, therefore, there never would be a surplus properly applicable to Education.

The education fund comes under another principle, and all who contribute directly or indirectly to the taxes imposed by the State are entitled to share equally in that fund.

The cost of public education may, therefore, very properly be paid out of the consolidated fund of the nation, and then the Government

may very properly take charge of all charitable funds appropriated to education in the kingdom, and administer those funds in public education, under the direction of Parliament.

The distinction between the Church fund and the Education fund is clear and simple; the one arising from property vested in the Church for the benefit of its members; the other arising from property given by and belonging to the People, for the benefit of the People.

To make the acceptance of that benefit compulsory would be as unjustifiable an interference with individual liberty, as to make the members of one Church contribute to the funds of another Church; and to make public education dependent on local rates, or under the control of rate-payers, would effectually prevent a national system from being carried out.

Public Education can be carried out with success only as a Government measure under the control of Parliament, and under the direction of a responsible Minister of the Crown, assisted by a Board of Commissioners in Chief and subordinate Local District Boards.

The superintendence of National Education is one of the most important duties of the State, and as the Civil and Ecclesiastical Establishments represent the State in connection with

the Church, it follows, as a necessary consequence that, *the National Religion ought to be the basis of National Education.*

Any other conclusion must be irrational and inconsistent, for a system of National Education not based on the National Religion can have no tendency to attach the mass of the population to the Established Church. The advantages of secular education, however great, can never supply the place of Religious Instruction.

It is, therefore, essential that, a system of National Education in this country should be based on the Bible, the Creed, and the Lord's Prayer, open to acceptance or rejection equally by all.

The duty of the Church is the preaching of the Gospel,—declaring the Kingdom of God at hand,—and preparing the people for that Kingdom.

The duty of the State is to educate the people and prepare them for their appointed stations in the Christian Commonwealth.

In this way only can the union of Church and State be preserved.

We shall not preserve that union by accommodating our system of National Education to the regulation of the Popes, prohibiting the use of the Bible.

I am not aware that the regulation is less tenaciously enforced in present than in past times. The following are the words of the prohibition :—

"As it is manifest by experience that, if the use of the holy writers is permitted in the vulgar tongue, more evil than profit will arise, because of the temerity of man; it is for this reason all Bibles are *prohibited* with all their *parts*, whether they be printed or written, in whatever vulgar language soever; as also are prohibited all summaries or abridgements of Bibles, or any books of the holy writings, although they should only be historical, and that in whatever vulgar tongue they be written."

The same authority adds: "That the reading the Bibles of *Catholic Editors* may be permitted to those by whose perusal or power the *faith* may be spread, and who will not criticise it. But this permission is not to be granted without an express order of the bishop, or the inquisitor, with the advice of the curate and confessor; and their permission must first be had in writing. And he who without permission presumes *to read* the holy writings, or to have them in his *possession*, shall not be *absolved* of his sins before he first shall have returned the Bible to his bishop."

There may be various shades of distinction amongst Roman Catholics, from the deep shadow of the fierce and gloomy bigot, to the light shade of the simple and inoffensive enthusiast or the thoughtless and ignorant votary.

The dominion of the Pope may be less powerful, and the deceitful artifices of the Jesuit less successful now than formerly, but the principles of the Roman Catholic faith are the same as ever, being unchangeable.

The more those principles are examined, the more they will be found to be in opposition to the Christian faith and incompatible with the principles of Christian government.

It is no mitigation of the pernicious errors and fatal consequences of those anti-Christian principles that the Roman Catholic heresy is made up out of Divine materials. The materials are Divine, but the fabrication is human, and so disfigured by falsehood and human artifice that, the original materials are hardly to be distinguished, and are preserved only in symbols to appease the anxious longings of the soul, but at the same time to gratify the selfish cravings of the flesh.

But, the present subject is the pacification of Ireland, and the practical question is this:—

Shall this Protestant State, in the hope of making the Irish Roman Catholic Tenant-farmers and Peasantry a provident and prosperous people, separate the Church from the State, and no longer acknowledge an Established Church in Ireland, no longer distinguish it from the Roman Catholic Church, but place the Irish Church on the same footing as the Roman Catholic Church, and divide the property of the Irish Church with the Roman Catholic Church and all other Churches in Ireland?

That is, nominally, a question of the Irish Church, but, in reality, it is the separation of the English Church from the State, for disestablishment in Ireland must be disestablishment in England.

How far the special providence, which has so pre-eminently distinguished the British nation from all other nations, may be attributed to the national acknowledgment of the union of Church and State is a question which will not here be enquired into. But it may be asserted as a fact in history that, ever since that union, the British nation has been distinguished by great prosperity, and has been preserved from many of the calamities which have befallen other nations. There are many

still in this country who believe that Divine blessings are bestowed or withheld in regard to Nations as to individuals, nor is this belief without sanction in Holy Writ, though there be many to whom this will be a weak superstition.

Those who believe that, blessings are to nations as to individuals regard the present time as indicative of the drawing nearer to each other in Christ,—as descriptive of that union to Christ on which the union to Christendom turns,—as a conspicuous and notable illustration of the glorious fact that, "in Christ Jesus there is neither Jew nor Greek, neither bond nor free, but that all are one, even as the Father and the Son are one,—not in their visible manifestations, but in the Eternal Spirit."

But,—"In the opinion of the House of Commons it is necessary that the Established Church of Ireland should cease to exist as an Establishment, due regard being had to all personal interests and to all individual rights of property."

The reasons which induced the House of Commons to come to this conclusion, seem to be in substance this:—

The majority of the people of Ireland being Roman Catholics, it is not expedient, for the

interests of Ireland, to maintain the Protestant Church as a State Establishment in Ireland. But it is expedient to maintain all personal interests and all individual rights of property in Ireland, except those personal interests and individual rights of property, which are connected with the Protestant Church in Ireland.

This exception is to authorise the making over of a large portion of the property of the Protestant Church in Ireland to the Roman Catholic Church, for the pacification of Ireland, through the Pope and the Roman Catholic Priesthood.

The reasoning to this conclusion can only be that, Roman Catholic Ireland cannot be really united to Protestant England under a Protestant Sovereign.

To hide the treason lurking in this confession, the few Presbyterian Clergy are to be allowed to participate in the plunder of the Protestant Church in Ireland, and the Sovereign, as the temporal head of the Church, is to be required to consent to this spoliation, notwithstanding that solemn Oath, to preserve and maintain throughout the kingdom the Church of England, as by law established, with all its property, privileges, pre-emin-

ence, and power, as part and parcel of the State.

That, such is the reasoning, which has led to this conclusion, as a measure of expediency for the pacification of Ireland, is not a matter of opinion, but of fact; for the proposer of the measure has himself declared that, but for his fear of Fenianism, the Resolutions, passed by a large majority of the House of Commons for the disestablishment of the Church in Ireland, would not have been proposed by him.

This is the question now before the country, and it remains to be seen, whether the People of England will stand by their Sovereign and support Her in the observance of Her Oath for the maintenance of the Church and State, as by law established, that Church for which the blood of the martyrs has been shed, and that State which, by the blessing of God, has been preserved through all trials.

The question is simply, whether the Church and State, as by law established, and maintained for upwards of three centuries, shall now be disestablished, "the essence of the Establishment being," as well expressed by the Bishop of Oxford, "that, the nation acknowledges that, its subjects need religious teaching, and that, adopting a particular form of religion as

that which it believes to be true, it authorises the ministers of that particular form to teach in the name of the State as well as that of the Church."

This, though a simple question, is a very momentous question for the country, and one which the People will soon be called to determine. It will be well for the country if the People disregard all political parties and consider this question reverentially in the spirit of the Christian Church, for the disestablishment of Church and State in Ireland will be the re-establishment of the Pope in this Kingdom, and then the glory of England will have departed for ever.

One of the first subjects for the attention of the reformed Parliament must be, middle and lower class education.

When these classes are better educated, they will better understand their own true interests, and they will then elect, as their representatives in Parliament, those who will consult the true interests of the nation, *by not taxing the laborer in his own labor.* It will, probably, be many years before that principle is adopted. But when the People are united by intelligence and one common interest, that principle will be carried out in practice with universal consent,

and this country will then be raised up to a pitch of prosperity and power far greater than has ever yet been known.

In the meantime the Fenian fever, already reduced by vigorous remedies, will soon disappear and be forgotten, and the just concessions to the Roman Catholics of Ireland will restore a better feeling among all parties, for the Irish, as a People, are brave and loyal, and love their country, though they have a way peculiar to themselves of showing their love and loyalty. But it is a mistake to suppose that, the Irish Tenantry or the Irish Peasantry have had much to do with Fenianism. Fenian outrages have been contrived and conducted by renegade Irish emigrants, fresh from their military exploits in America, and flush with their feats of arms. Having acquired some military discipline and a taste for plunder, they were unwilling to return to the plough. Successful combatants in America, they were not content with their naked rights in Ireland, but would insist on a great deal more.

> "Armati terram exercent, semperque recentes
> Convectare juvat prædas et vivere rapto."

It is no wonder that, recruiting with revolvers, they compelled some to follow them.

The wonder is that, they did not find many more willing followers among the really suffering Peasantry of Ireland.

The Tenant-farmers of Ireland, as a body, were everywhere against them, and those of the poorest Peasantry who joined, were operated upon much more by fear than by fellow-feeling with Fenians.

There is great poverty among the poor in Ireland, but there is great improvidence, and *that* no Act of Parliament can reach. If all the land of Ireland were delivered up to the Irish poor, they would soon be much poorer. It were better if Ireland were to disappear beneath the sea.

But the signs of improvement are already visible, and in no part of the United Kingdom are Rents better paid than in Ireland.

On the equal and equitable principle of each religious denomination supporting its own Church, there is no reason why Ireland should not be governed by the same laws as England, and with equal prosperity. But the seisure of any part of the property of the Church of the State, and the appropriation of such property to the Roman Catholic Church, for aggrandising that Church, which holds the Protestant Church—its tenets and teachings in

abhorrence—and all its members as heretics condemned to perdition, would be a proceeding monstrous and anomalous, irreconcileable with justice and inconsistent with common sense, an abuse of toleration and a public avowal of indifference, an everlasting shame and disgrace, and to the whole British nation a fearful and irreparable mischief.

The principle of religious toleration does not demand the disestablishment or disendowment of one Church for the temporal benefit of another Church.

Religious toleration is carried to the fullest extent when no impediments are interposed to the free exercise of religious opinions. The temporal possessions of a Church, like all other property, are the creation of the law, and the property of the Church is property according to English law.

Property in land may be vested in an individual as absolute owner, or in several individuals as absolute owners, or in corporate bodies sole or aggregate.

In all such cases, where property in land is required for any public purpose, the State is bound by ordinary principles of justice, and it is the invariable practice, to compensate the owners, who, therefore, lose nothing when they

part with their land, as they receive the value in money. But the temporal possessions of the Church being vested in the Church in perpetuity, as a sole corporate body, there is no absolute owner to whom the compensation can be given. The present possessor can be compensated for his partial interest, but the unborn generations, who might have succeeded to those possessions, cannot be compensated. The reversionary interest, therefore, is taken without any compensation given, and the loss is not only to the unborn generations who might have acquired personal interests in that Church property, but also to the souls of those who might have derived spiritual benefit from that Church ministry.

Unquestionably, the power of Parliament is supreme over the property of the kingdom, but to exercise that power to deprive the Church of any part of its property must shake the foundation of all property in the kingdom, and may shake even the foundation of the Throne.

To seise the property of rich Corporations aggregate would be only another short and easy step, and the time may then not be distant when a Cabinet Council of pure philosophers, sanctioned by a House of Commons

elected by the universal suffrage of an enlightened constituency (the House of Lords being no longer in existence), may think it expedient for the public good, to parcel out the Estates of some of the large Land-Owners into small allotments for the benefit of the tenant-farmers. But if that liberty be taken with property, it should not be in the name of Civil or Religious liberty, for in neither case does toleration mean a community of goods, nor an equal participation in temporal power.

Religious toleration is complete with freedom of thought and action in all religious questions; but toleration, when it recognises no distinction, is indifference; and indifference, when it disregards vested interests, is injustice.

The Roman Catholic Church, which acknowledges the Pope as the temporal head of the Church, can have no just claim to be placed on an equal footing, either in property or power, with the Protestant Church, which acknowledges the Sovereign as the temporal head of Church and State. It is sufficient, for perfect toleration, that each Church enjoys equal freedom, and neither is compelled to contribute to the support of the other. If a Church cannot find support in its own members, there can be

no reason why it should be supported at all, or why a deficiency in the funds of the Church should be made up out of the funds of another Church.

But those who refuse to pay the dues of the Church, for the maintenance of the ministers and the support of the edifice, as by law required, may be considered to have renounced their Church, and, as seceders, may very properly be required by law to sign an act of renunciation, to be fixed on the door of the Parish Church and published in the London Gazette, or be made to pay.

Under that voluntary system the funds of the Church would suffer no diminution. The door of the fold would be open to those who wished to depart out of it, for the saving of their money; but then the goats would be separated from the sheep. If compulsory contribution be a cause of disquiet, the removal of the cause ought to remove the disquiet. That is a just cause of complaint in Ireland, but the removal of that complaint would not quiet Ireland. The remedy for Ireland's distress will be found only in the improved moral and physical condition of the Irish People.

In the mean time that Government, which shows itself the least disposed to lead back

Protestant England to Popish Rome or to surrender any of the sacred and cherished rights (so dearly purchased!) of the Protestant Church, will have the best claim to the confidence of the country.

Thieves do not usually break in to steal in their accustomed dress, nor in the light of day, but in disguise and in the darkness of the night.

The wolf in sheep's clothing is as old as the Priest in his priestly robes.

Traitors and Apostates are not confined to any class. They are found in the highest and in the lowest, and in every class between; under the Court dress of the Minister of State, under the embroidered vestments of the Popish Priest and the Ritualistic Renegade Priest, under the cloak of the Jesuit and the cowl of the Monk, under the every-day working-dress and the common frieze coat. But, however clothed, the wolf is always the wolf.

The Pope sits in his Chair at Rome, always the same. He changes only in name. But the world around him changes. Seated in his Chair at Rome, that doomed city of the Seven Hills, he watches the changes. He sees his temporal power gone, and his spiritual power departing. But his hopes are in Ireland and

England, where he sees Fenianism and Ritualism progressing together.

The good Shepherd knows his sheep and watches over them. As long as the sheep keep together in the fold the wolf cannot enter, however disguised.

Liberty of conscience can be permanently preserved in this country only under the protection of a National Church—a political establishment in connection with the spiritual Church of Christ. Dr. Owen, a Clergyman, thus addressed the Long Parliament:—

"If it once come to this, that you shall say, *you* have nothing to do with religion as rulers of the nation, God will quickly manifest that, He has nothing to do with you as rulers of the nation."

If the rulers of this nation, as such, have nothing to do with religion, then there is no connection between the Church and the State, for, in the words of Bishop Burnett,—"As the *head* communicates vital influences to the whole body, Christ is the only head of His own Church: He only ought in all things to be obeyed, submitted to and depended on; and from Him all the functions and offices of the Church derive their usefulness and virtue."

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